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Speaker: The Honourable Gilbert Parent

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HOUSE OF COMMONS

Monday, October 26, 1998

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

• (1105)

[*English*]

FISHERS' BILL OF RIGHTS

The House resumed from June 4 consideration of the motion that Bill C-302, an act to establish the rights of fishers including the right to be involved in the process of fisheries stock assessment, fish conservation, setting of fishing quotas, fishing licensing and the public right to fish and establish the right of fishers to be informed of decisions affecting fishing as a livelihood in advance and the right to compensation if other rights are abrogated unfairly, be read the second time and referred to a committee.

Mr. Charles Hubbard (Miramichi, Lib.): Madam Speaker, it certainly is a privilege today to join with my colleagues in the House to debate the motion of my colleague, the hon. member for New Brunswick Southwest, who represents a riding that is very much involved with the fishery.

Only about a week ago our provincial newspaper had a very lengthy article on the tremendous resource that we have in the Bay of Fundy. I am sure that the member, who is from that area, is very much concerned about the future and the longevity of the fishery for all of us in Atlantic Canada.

It is curious today that we are talking about a so-called fishers' bill of rights. If we go back, historically, we find that in the last 200 years rights have been developed for a very significant group of people.

I think of the original bill of rights and the work that was done by the American colonists when the United States was set up as a new country in this hemisphere. Then, of course, with the French revolution we had the declaration of the rights of man.

Also this week we have to reflect upon the stamp that came out only this past month recognizing a fellow New Brunswicker, John

Humphreys, who was instrumental in writing the special human rights declaration for the United Nations. I am sure New Brunswickers are proud that the stamp was issued. We are certainly proud that a New Brunswicker received international recognition for his work on human rights.

In Canada, of course, we have our own human rights legislation. However I question the necessity for a fishers' bill of rights because across this country there are many different sectors of the economy. If this House is going to try to develop bills of rights, maybe there should be one farmers. They probably deserve a bill of rights because one of the first occupations on this earth was agriculture. Maybe some of our friends from that sector could have a farmers' bill of rights. We could go on and on to identify different groups that should certainly have rights. I think of animal rights. Maybe the member opposite should be thinking of a fish bill of rights.

In the last 25 years fish have had a very difficult time on our globe. As a very good source of protein, we find that many emerging nations or nations in difficulty have looked upon the waters of this earth as supplying protein for their people. As a result, the fishing industry, and fish in particular, have been under great stress. In the 1980s Atlantic Canada suffered great difficulties with the decline of the groundfishery.

My colleague from the west coast might worry about coho salmon. They too might need to have their rights protected. If we do not have some protection for these species soon our entire economy in terms of the fishery will be in difficulty.

I have certain concerns with the bill in terms of this group of people. I know that fisher people are a very important part of our economy. As a government we have attempted to regulate and to show fisher people that they have a responsibility to sustain their industry.

Through regulation and hopefully co-operation the various fisher people can work along with the Department of Fisheries and Oceans to ensure that our fishery has a future.

The House should also recognize that with the decline of the east coast fishery and the problems on the west coast we have developed programs to assist those areas. The fisher people who have difficulties will have an opportunity to take part in programs to get assistance with training and to improve habitat, as we have done on the west coast with the salmon fishery.

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• (1110)

On the east coast, as the member opposite from Halifax would certainly agree, we have developed good programs to make sure that people in the fishing industry can receive some assistance when fish become scarce.

If we look at the fishery in the great province of Newfoundland we find that today the resource from the sea is bringing more money to that province than it did during the best years of the groundfishery.

We are looking at alternate species. The fishermen may develop other aspects of fishing and sales for those fish, which will enable them to continue in their home communities. However, we have to be concerned with what has happened to the good people on the east coast and those who have encountered serious difficulties as a result of the economy.

We have to remember that fish have traditionally been very available. However, today we have to be concerned with the fact that we have to sustain the fishery.

I would suggest that the member is a bit off base in terms of trying to develop a charter of rights for fisher people. The minister has brought forward a committee to look at partnerships in fishing, to try to develop a co-operative venture between those who are out on the water and those sitting in offices trying to regulate the fishery.

We have to remember that fish are a public, not a private resource, and the Government of Canada has a definite responsibility to see it continue as a satisfactory industry.

In my riding of Miramichi the first minister of marine and fisheries in the original Government of Canada in 1867 was Peter Mitchell. We have watched over the years what has happened with the fishery since the time of Peter Mitchell. We have to be concerned with what our responsibilities are.

I know the member who brought forward this bill is concerned with his own area. He is very much involved with the area of southern New Brunswick. He needs to see that DFO and the fisher people work co-operatively to continue the fishery there. But I think we have to be more concerned as members of this government and people, in general, about our responsibilities to the fishery so that it can continue.

As chairman of the fisheries committee I would not support a bill for a particular charter of rights for one particular group. I would be more concerned with supporting the concept that we have responsibilities as a government to see that the fishery works well, that it works co-operatively and that it works in the best interests of all Canadians.

Mr. Bill Gilmour (Nanaimo—Alberni, Ref.): Madam Speaker, when we speak to a bill such as Bill C-302, proposed by the member for New Brunswick Southwest, there are commonalities

all across the country and on all coasts. However I will be talking about this bill from a west coast perspective, as the member opposite said that we might have concerns in this area.

The bill describes a bill of rights for fishermen. This bill has multiple rationales and essentially would be a good counter-balance to the dominance of decision making on fisheries fronts by an overly centralized bureaucracy that we all know as the Department of Fisheries and Oceans. This bill is not responsive enough to local communities, to local fishermen or in fact to the recreational sector.

This bill is clear in stating that people who fish for their livelihood should be involved in decisions regarding the protection, development and harvesting of fish. This is good for two reasons. First, the fishermen have important local knowledge of the kind we cannot afford to prove scientifically, but which has stood the test of time. Second, if we do not involve the fishermen we do not get a buy-in with new policy directions and new management proposals.

• (1115)

It is also a primary way to develop volunteerism which is so critical in the development of fish stocks, whether through fish hatcheries, the development of riparian zones or developing a conservation ethic in children's or citizen's watch on poaching. Any number of things contribute to the good citizen aspect of looking after our resources.

Probably the most controversial aspect of the bill deals with the right of compensation to those whose rights were taken away or abrogated by the federal government through unilateral or actions which exclude affected fishermen.

The government and DFO bureaucracy will fight this clause tooth and nail because it attempts to make them accountable for decisions they make about people affected by their decisions. It is far easier for bureaucrats or ministers to sit ensconced, buffered and unchallenged and be securely protected from the results of their decisions. These people do not have repercussions from their bad policy decisions. Given a choice they would prefer not to deal with people affected by their decisions because plainly it is uncomfortable for them.

This is the crux of the bill, the strongest part of the bill. It is an attempt to bring accountability to the bureaucracy.

Despite all this I have some concerns about the bill which I discussed with the member for Vancouver Island North who spoke to the bill in debate on June 4 this year. Here are our concerns.

The bill does not establish a process to provide for fishermen's involvement or representation prior to the decision making process. There is nothing to say that the fishermen's representations have to be heeded. Nor does it give any meaningful decision making power to those affected. There is a prohibition against any decisions being made until all the hearings are exhausted. This

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could render the system too cumbersome when quick decisions are needed for conservation or other purposes.

In addition, clause 5(a) of the bill mentions fishing rights but this term is not defined. Licence holders who are active and who continue to invest in vessels, gear and so on, should have a right to renewal of that licence year after year. However this is not set out in the bill. It would also be useful to see that the minister could not create new licences without consultation and support from all existing licence holders of all categories affected.

Also the definition of the public right to fish in clause 2 is not consistent with the general law that extends this right to the commercial sector. This misdefining of the public right to fish could be taken as an abolition by parliament of the public right to fish in any area beyond the areas defined specifically in the bill.

On the west coast the public right to fish, the common law right that dates back to the Magna Carta, is a public right of access that in the commercial and recreation sector is tempered by limited entry licences and other restrictions, but this public right is still the overriding check on the predominant powers of the minister.

Removal of this public right would essentially give the minister the power to allocate fisheries quotas to anyone, any group, institution or person. This is the crux of the debate over the ethnic based aboriginal fisheries strategy, a pilot sales program which the federal government implemented in 1992.

British Columbians oppose a separate commercial fishery based on race. Ongoing polarization and division have been created by natives and non-natives on the issue every since.

In 1998 the public protest against this fishery included native commercial fishermen in the all Canadian commercial fishery who also opposed the separate fishery but are now fully prepared to go public with their concerns. All legal challenges to this fishery have succeeded. Yet the government and the minister persist in pursuing this policy.

The legal rights protest has gone on since 1992 which has detracted from focused management of the fisheries. It has focused people's energies on divisive issues instead of allowing them to look at the big picture and conservation issues.

Another concern is that clauses 4 and 5 of the bill extend into areas covered by provincial legislation. These clauses are probably unconstitutional. If something is validly authorized by provincial legislation it is beyond the reach of federal legislation. Given the exclusive nature of the division of powers under our Constitution, I feel it should be left that way and these clauses should not be left in the bill.

• (1120)

In conclusion, I support the intent of the bill to create a fishermen's bill of rights and hope we can give qualified support so that the bill can move forward to committee where we can address some of our concerns. There are very good areas within the bill but there are also areas of concern.

I give it qualified support and look forward to it going to a vote in the House and then on to committee.

Mr. Gordon Earle (Halifax West, NDP): Madam Speaker, I am pleased to rise today in the House to support Bill C-302.

People who make their living from the sea have always been central to the culture, economy and social life of the maritimes and certainly of my riding of Halifax West. For the many people who work to sustain themselves, their families and communities today, dating back to the very first aboriginal inhabitants of our region, fishing has been a way of life in the deepest sense of the word.

For untold generations people have challenged themselves and the elements to sustain their livelihood and that of their families from the wealth of resources beneath the waves. From their own successes and mistakes people have learned about fishing. They have become knowledgeable about tides, seasonal variations, fish stocks, the winds, equipment, and all that is necessary to learn and develop the profession of fishing. Fishers have been taught by their parents and by their communities as a whole. They have also learned from other communities and increasingly from fishers in other countries. There have been times when even government efforts and research have proven useful.

The people of Halifax West who make or hope once again to make their living from the sea face a growing danger. This danger has caused thousands of people to lose their livelihood and equal numbers of families to lose any security for their children's future. This peril is responsible for the unbelievable event of entire fish stocks being wiped out. This danger is the federal government's mishandling of fisheries issues.

I support the right of fishers to be involved in every aspect of decision making and the implementation of those decisions that affect their livelihood. Who else has the knowledge to craft the best answers about fish stock assessments, fish conservation, the setting of fish quotas and fishing licences? Certainly not the Department of Fisheries and Oceans bureaucrats living in Ottawa.

It boggles the mind that the Liberal government has chosen not to involve those who make their day to day living in the fishing industry as part and parcel of the decisions that in turn will directly affect and often threaten their livelihood.

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The decisions made by the roughly 800 DFO bureaucrats in Ottawa are based on what knowledge? Is it by studying and analysing the movement of fish in the Rideau River in Ottawa or by consulting the occasional ice fisher on the Ottawa River? It is certainly not by working on a day to day basis with those in the industry, armed with the experience and skills to assist the government in making decisions.

We can be sure that the government consults very closely with top executives of big banks about decisions that might affect their billions of dollars or with top multinational corporate executives about decisions the government might implement that would affect their operations. However the government treats fishers as the uneducated and insignificant. It is a crime. The cost of that crime is a mismanaged government department making bad and often absurd decisions. It hurts people who make their livelihood from fishing in St. Margaret's Bay and throughout my riding.

A case in point is the announcement early this year that fish quotas for Nova Scotia would be 5 fish per person or 25 fish per boat for non-commercial fishers. We could hear the laughter of fishers in response to this in my riding all the way from Herring Cove to Black Point. Just who would those supposedly enforcing this regulation charge if there were a number of people in a boat and too many fish? Would it be the one in the boat closest to the shore or the tallest one? Who? This decision is absurd and unenforceable because the decision was made in Ottawa without the proper input of those who do the fishing.

The government's mishandling of TAGS and the post-TAGS program has condemned thousands to poverty and helplessness. There are over 40,000 fishers out of work. The government has spent over \$3.4 billion in income support.

• (1125)

Ultimately decisions made by Ottawa bureaucrats about the livelihood of those living over 1,000 kilometres away pits people against people and community against community. Fishers should be consulted about the allocation of quotas as the bill recommends and about proper gear and equipment. Fishers should be consulted about fish stocks. We all know fishers were warning about the cod stocks long before the government in its too little, too late fashion slammed the door shut on an entire industry.

The people in my riding who make their living from the sea are not millionaires. The people who fish or want to fish in Sambro, Ketch Harbour, Portuguese Cove and East and West Pennant cannot easily weather huge losses due to bad federal government decisions. However they have to, time and time again, simply because people who fish are not considered by the Liberal government to be key players in decisions about the fishing industry. With the fisheries dying the last budget of the government did nothing for those in the industry.

Bill C-302 which sets out to ensure fishers are central to decisions affecting the fisheries is nothing more than plain sense. Everybody would win. The bill should certainly be sent to the Standing Committee on Fisheries and Oceans for study, improvement and support.

One example of the government's fisheries minister hiding his head in the sand is the current serious dispute in the lobster fisheries in southwestern Nova Scotia. This dispute involves commercial, aboriginal and non-aboriginal lobster fishers. Did the government play a leadership role with the long term security of this fish stock and the livelihoods of these people at the forefront? No. Once again it has hidden its head in the sand and refused to sit down and talk with those in the industry about the best and most reasonable long term solution for all involved.

It seems everybody but the Minister of Fisheries and Oceans and the Ottawa top bureaucrats is able to reach an agreement on the threat posed to this industry by the government's refusal to centrally involve fishers in every step of decision making and implementation. The Standing Committee on Fisheries and Oceans was able to produce two reports unanimously agreed to by five different federal parties.

How did the government respond? It was by yanking the member for Gander—Grand Falls out of the committee chair spot. This committee did its best to base its efforts on what it has learned from people in the industry, and that is what may have upset the government.

It only makes sense for those who fish for their living and those in fisheries industries to participate in a meaningful way in federal government decision making. I fully support the bill and challenge every government member to support it. The people who make their living or hope to make their living from the fisheries in my riding of Halifax West deserve no less. All those in similar positions across the country deserve no less.

Mr. Bill Matthews (Burin—St. George's, PC): Madam Speaker, it is a pleasure to participate today in debate on Bill C-302, an act to establish the rights of fishers.

I listened with great interest to the hon. member who just concluded. How can anyone stand in his or her place and be against involving fishers or fishermen in stock assessment, fish conservation, the setting of fish quotas and fishing licences? How can anyone be against that consultation and involvement process?

As well I listened with interest to the hon. member for Miramichi when he talked about a fish bill of rights. I could not help but wonder, as the member made that suggestion, if he had consulted with the fish and what response he got back. I wonder if the fish are positive to his view that there should be a fish bill of rights.

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I say that in a light manner because what we are talking about in Bill C-302 is involving those people directly in the harvesting of fish, in stock assessments, in licensing and in the setting of quotas and so on. As my hon. colleague who spoke before me said, for years in Atlantic Canada people involved in the fishing industry, the harvesters, warned the federal governments of the day that we were heading for a crisis in our groundfish stock, particularly our cod stocks. Year after year the federal government ignored those people, and we all know the consequences now.

Hundreds of our rural communities are on the verge of extinction. There is no employment in those communities because there is no fish to harvest and consequently no fish to process.

• (1130)

I commend my colleague for bringing forward this fishers bill of rights. It is a step in the right direction.

I want to speak for a moment about the public right to fish. My hon. colleague who spoke just before me mentioned what we call the food fishery in Newfoundland and Labrador. He talked about five fish a day and so many people in a boat.

In Newfoundland and Labrador for all of our lives we have been allowed to go out and catch a fish for supper. That has all changed in the last four or five years. We cannot get in our boats and go out and fish any more. We have to wait for the Minister of Fisheries and Oceans to inform us if he is going to allow us to catch a fish and then he sets the date. Over the last couple of years he has given us one weekend to fish. He basically has given us three days to fish for our food fishery.

Nova Scotia, P.E.I, New Brunswick and parts of Quebec get a 68-day food fishery. We get three days. It is something we were allowed to do all of our lives, and now we can only fish if the minister allows us to fish and for a maximum of three days. That is very difficult for Newfoundlanders and Labradorians to accept. We are catching the same fish that the people in Nova Scotia, New Brunswick and Quebec are catching. They are the same fish stocks. They swim back and forth. These are the fish that Nova Scotians catch, and we catch and so on. Somehow the Minister of Fisheries and Oceans and his parliamentary secretary, who I see shaking his head in disapproval, do not understand that fish swim.

Why should we not be allowed to fish for 68 days for a food fishery. If the parliamentary secretary can fish for 68 days in Prince Edward Island, why can we not do it? It is the same fish. What he is allowing people in Nova Scotia to fish for 68 days is the same fish stock we can fish for three days.

If only some of them over there knew a little bit about fish, what a relief it would be.

An hon. member: They swim around the globe.

Mr. Bill Matthews: Yes, they swim around the globe.

The other troublesome point is that fishermen for years warned the federal government of the impending disaster. On the west coast of Canada, British Columbia, fish harvesters are warning the federal government of the same problems. The government is ignoring what is happening in British Columbia and the problems are increasing and getting bigger.

I support the bill to include fish harvesters in conservation, in licensing and in fish stock assessments. How can anyone argue against it? How can anyone be against those who are directly involved in the harvesting of fish resources having more involvement? Have the Department of Fisheries and Oceans listen to them and take into account what they are telling it, then weigh that in the decision making process so that wiser decisions are made in the future than have been made in the past. God knows if there is one federal government department that has made unwise decisions over the years, it has been the Department of Fisheries and Oceans.

I support the bill. I commend my colleague for bringing it forward. I commend those who have stood in their place today to support this piece of legislation.

If we involve those people in a more meaningful fashion, it will mean that we will make better decisions. We will have greater fish resources for the future. We will not go through the crisis in Atlantic Canada and the west coast of Canada that we are going through today.

People are unemployed. Out-migration is staggering. The survival of rural Canada is seriously threatened today. When I go through my riding of Burin—St. George's it is difficult to find anyone left in those communities who is under 45 years of age. What future is there for people? This has been forced upon people because there is no employment.

The Government of Canada mismanaged our fish resources. It has to take responsibility. All we are asking is that the Department of Fisheries and Oceans and the federal government involve the people who harvest those fish resources. Include their assessments in decision making and make wiser decisions for the fish resources so that people who depend on those resources will be better off in the future.

• (1135)

Mr. Lou Sekora (Port Moody—Coquitlam—Port Coquitlam, Lib.): Madam Speaker, the bill before the House is impractical and unnecessary and as such should not become law. It is unnecessary for many reasons.

One of the reasons is that the participatory role it seeks for fishermen is already becoming a standard practice. Procedures and processes for ongoing consultations with stakeholders are in place as a matter of policy.

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For instance, fishermen are already involved in stock assessment and conservation issues on the east coast through their participation in the fisheries resources conservation council. Last month the Minister of Fisheries and Oceans announced the formation of a similar council on the west coast, the Pacific resource conservation council chaired by Hon. John Fraser. In addition co-management arrangements are in place in a number of fisheries that give fishermen an expanded role in the decision making process.

The bill is also impractical because it would tie the minister's hands and prevent him or her from making decisions to protect the fisheries at a time when this protection is urgently required.

For example, the bill would require that fishermen be represented on or be heard by a body involved in the process intended to produce a division or recommendation respecting fisheries stock assessment, fish conservation, the setting of fishing quotas, fishing licensing or the public right to fish or, in the case of an order to be made by the governor in council, to have the opportunity to comment on every proposed order before it is made.

The hon. member must know that the minister issues many such orders in response to changing conditions in the fisheries. Sometimes these orders must be made on an emergency basis. This clause would institute a cumbersome and time consuming review process that would delay the implementation of any decisions until all appeals had been exhausted. It would bring fisheries management in Canada to a standstill.

The bill is impractical for another reason, its potential cost to the taxpayers. The bill would require that every fisher who suffers a loss as a result of the abrogation of fishing rights other than as a result of a process that would involve fishermen shall be entitled to compensation for a loss. This could create a huge financial obligation for the government. Where does the hon. member think this money would come from? It is fine to be free with the taxpayers' money but we have spent five years sacrificing to bring the country's deficit under control. Now is not the time to be incurring substantial obligations.

Consider the double bind that this would create for the minister and his officials. Suppose they were faced with making a decision to protect a specific stock but to do so would mean paying a huge sum of compensation. Is the intent of this bill to discourage the minister from taking needed measures to protect the fisheries, or is the intent to load the taxpayers up with new financial burdens?

The bill is not precise in its wording and focus, touching on many legal issues, including some that are outside federal jurisdiction and would be impossible to implement in any effective manner. The wording is so vague as to be open to multiple interpretations.

We can take our pick of phrases but let us take this one: the consideration of the effect of fishing on traditional lifestyles including but not restricted to aboriginal traditional lifestyles.

What exactly does this mean? Leaving aside the ambiguity of "the effect that fishing on traditional lifestyles", how much consideration would the bill require? Whose traditional lifestyle? How do we distinguish traditional lifestyle versus a non-traditional one? The bill does not say.

The bill is both unnecessary and unworkable. Worse still, it misses entirely what should be the focus of our attention: protecting the ocean and its resources.

• (1140)

It is not just Canada that has seen the consequences of overfishing. Other nations from New Zealand to Norway have all seen fish stocks damaged by overfishing. We all now recognize that the survival of some of these stocks hangs by a thread and that if we do not take action now, it may be too late. That is why the focus of government policy must be and is on conserving and protecting the fish stocks. This bill would do nothing to advance those goals.

What we need are effective conservation based management policies, policies that balance the competing demands we make on the oceans with their ability to sustain their demands. This government is putting those policies in place. It continues to work through the Northwest Atlantic Fisheries Organization, NAFO, to implement mechanisms to stop overfishing.

Last month we saw the formal adoption of 100% observation coverage for all fish vessels in the NAFO regulatory area. The decision meets one of the most important conservation objectives advanced by Canada at the NAFO annual meeting held in Lisbon in September. NAFO has acknowledged the success of the pilot program for 100% observation coverage and has noted that the apparent infringements of its rules have declined by over 80% since the pilot program was implemented.

The United Nations fisheries agreement, the result of a Canadian initiative, provides the means to strengthen international arrangements such as NAFO. Parties to this agreement will help to create a new enforcement system for the high seas. This system will provide for the protection of straddling and migratory fish stocks on the high seas. It will provide a binding and compulsory settlement for fishing disputes among states.

Canada is in the process of developing an oceans strategy that will set the course for management of our ocean resources into the next century. This strategy has three principles: sustainable development; integrating the management of human activity in estuaries, coastal and marine waters; and the precautionary approach, a commitment to err on the side of caution.

The strategy is based on the premise that everyone with a stake in the future health of the oceans must work together to preserve and protect them. This is the thrust of the government policy with

regard to the oceans and their resources, and it is both appropriate and effective.

Rather than focusing on creating rights for any particular group, we must concentrate on protecting the oceans and the conservation of their resources for all Canadians because without them, there will be no fishermen and fishing communities, traditional or otherwise.

I urge the House to reject this bill.

Mr. John Cummins (Delta—South Richmond, Ref.): Madam Speaker, the fundamental protection for fishermen against arbitrary action by the government is found in the public right to fish. The fishers bill of rights introduced by my colleague from Charlotte recognizes the importance to fishermen of this right. It is for this reason I stand today to offer my support for this bill of rights for fishermen.

This ancient public right, a right for all citizens, until recently was so ingrained in our law making that it was not often spoken of. As of late it has become fashionable for ministers of fisheries to trumpet the importance of the creation of exclusive or private fisheries. Sometimes well meaning but weak ministers have been tempted by the idea that they could buy peace on the water and end lawlessness through the creation of private fisheries. This happened in British Columbia in 1992 with the creation of the exclusive native commercial salmon fishery on the Fraser.

Another insidious trend is just as great a threat to the fishery as the attempt to buy peace through the creation of private fisheries. That is the turning of a fishery over to a large corporation, to the rich and the powerful.

In the rush to create these private fisheries, our policy makers have forgotten our history and our fisheries law in regard to the public right to fish. The legal principles underpinning the public right were not arrived at overnight or in some great economic think tank. The public right is not the preserve of the right of economists on the right or the left. The public right knows neither left nor right.

• (1145)

It has stood the test of time. When we tinker with the public fishery we can do great harm unless we have understood what the public right is and its proven utility over hundreds of years, that it has given all citizens access to the public fishery, rich or poor, large or small, native or non-native. That equality of access deserves careful tending in a fast changing world.

Like so many of our legal and political conventions the public right developed in English law, but from the earliest days of settlement found root in Canada. The public right to fish has been a

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recognized feature of our law since the reception of English law into what is now Canada.

It became codified in 1215 when it was set down in provision 47 of the Magna Carta. It was designed to address a public grievance caused by the practice of the king in those times to clear the public off the fishing grounds whenever he wished to go fishing.

Since 1215 it has been accepted in English law that the king does not own the fisheries in tidal waters. They are public. The king has no power to transfer such public fisheries to an exclusive group. All members of the public are equally entitled to access.

Because the public right to fish has an ancient basis, it is sometimes asked by those not familiar with fisheries or marine law if it still has any basis in law in Canada. The courts and the law officers of the crown have from the earliest days in Canada recognized the public right to fish.

In 1996 the Supreme Court of Canada in deciding *Van der Peet*, *Gladstone* and *NTC Smokehouse*, fisheries cases from British Columbia, relied on the legal principle often referred to as the public right to fish.

This ancient right has stood the test of time and is very much alive today. It guarantees the public right of access in public waters. Fish in navigable or tidal waters are not owned by the crown. Rather, the crown is the guardian or trustee for the public in this right of access to a fishery in public waters.

The supreme court's 1996 decision in *Gladstone* relied on the position our courts and law officers have been taking for the past 150 years. The court in *Gladstone* relied on and restated the decision in the 1913 British Columbia fisheries reference:

Since the time of the Magna Carta, there has been a common law right to fish in tidal waters that only can be abrogated by the enactment of competent legislation.

The 1913 reference certainly established that the public right of access was a part of Canadian law, yet it operated in Canada long before 1913.

The National Archives contains an 1866 letter from the solicitor general of the province of Canada that is still quoted today. In the 1866 legal opinion the solicitor general states:

Without an act of parliament—no exclusive right could thereby be gained—as the crown could not—grant an exclusive privilege in favour of individuals over public rights—in respect of which the crown only holds as trustee for the public.

The National Archives also has a handwritten letter to Sir John A. Macdonald from one of his ministers dated 1882 advising him of the centrality in fisheries law of the public right to fish:

Fishing rights in public waters cannot be made exclusive excepting under the express sanction of parliament.

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Justice LaForest, a recently retired justice of the Supreme Court of Canada, in his legal text "Water Law in Canada" describes the federal government as a trustee for the public of the public right of fishing.

The federal government in its argument in the supreme court in Gladstone neatly summarized the law:

Since Canada was not settled by the English prior to the Magna Carta there could not be exclusive fishing grounds in tidal waters in those parts of Canada which are governed by the common law (unless granted by statute).

"Fisheries Law", a document prepared by the Continuing Legal Education Society of British Columbia as an aid for lawyers seeking to upgrade their knowledge of fisheries law states:

[The public right to fish] places a restriction on the power of the crown, and therefore on the discretion of the Minister of Fisheries and Oceans, which applies to this day—Without clear express statutory authority common law rights in the public fisheries—cannot be extinguished.

I have taken a great deal of time addressing the public right of access to the fishery because it is fundamental to any bill of rights for fisherman.

• (1150)

Recent actions by the Minister of Fisheries and Oceans reveal that he has played fast and loose with this ancient right in British Columbia.

My views on the legality of the native commercial fishery regulations are well known.

The provincial court of British Columbia ruled this year that these regulations were outside the law. The court found the minister in contempt of the law but I am not here today to talk about the now illegal exclusive native commercial fisheries regulations.

If the minister and his officials had respect for the law and the ancient right of public access to the fishery, we would not be confronted by an illegal act by the minister of fisheries.

Fishermen must know their rights if they are to protect themselves from those policy makers who would create private fisheries for the profit of the powerful, whether they be large corporations or those that engage in lawlessness.

The best advice, whether in 1866, 1882, 1913 or 1996 by law officers of the crown and the courts has been to remind ministers that their job is to protect the public right. They are its trustee, its guarantor.

I support this bill of rights for fishermen because it acts to remind the minister of his responsibility as trustee of the public right to fish in public waters.

I bring to the attention of the House another area of arbitrary action by the minister of fisheries where fishermen are in need of protection.

Last summer at a time when American Fisheries Society scientists had named at least 214 coho stocks in B.C. at a high risk of extinction, the department's chief spokesman on fisheries management told fishermen that of the 900 individual coho stocks in B.C., only two were threatened with extinction and that efforts would be made to protect them.

On June 19 the minister stated: "In order to meet my coho conservation objectives announced on May 21, all areas on the coast will be defined as either red zones where there is an objective of zero fishing mortality or yellow zones where fishing will be allowed if and when the risk of coho bycatch mortality is minimal".

When it came to putting in practice the notion of protecting fish, the minister was nowhere to be seen. In fact, he allowed fishing in a red zone area around the Queen Charlotte Islands, an area where coho stocks were at high risk of extinction.

John Disney, a respected fisherman from Masset in the Queen Charlotte Islands, tells me that in the last cycle year commercial gill net fishermen in that area killed only 1,038 coho as bycatch for the whole season.

The minister allowed sports fishermen, in particular his friend, the owner of the Oak Bay Marine Group, to conduct a sport fishery in that area which Mr. Disney estimates was killing 900 coho per day.

A fishers bill of rights as proposed by my friend from Charlotte would have prevented this arbitrary transfer of allocation designed to profit a rich friend of the minister and would have offered protection to the resource.

Mr. Paul Steckle (Huron—Bruce, Lib.): Madam Speaker, it is a pleasure for me to address private member's Bill C-302 by the member for Charlotte.

All Canadians and all members of this House want to see a healthy fishery into the coming century, one that provides a good living to independent professional owner-operators and employees, one that supports flourishing fishing communities along the nation's coastlines that is sustainable and supports a flexible, versatile and self-reliant industry largely self-regulating and operating without subsidies.

We may argue how to achieve it but few would disagree with this goal. How to best realize this goal is where we differ. Is it by adopting the legislation before the House or by instituting a so-called fishers bill of rights? I do not believe so. This is not the way to achieve this goal.

Passing this bill could actually be counterproductive, harming not only the resource but also the very communities the bill is intended to help. Let me explain why.

Let us first take a look at what the honourable member wants to achieve. In presenting the bill, he said it is an act to establish the rights of fishermen, including the right to be involved in the process of fisheries stock assessment, fish conservation, setting of

fishing quotas, fishing licensing and the public right to fish and establish the right of fishermen to be informed of decisions affecting fishing as a livelihood in advance and the right to compensation if other rights are abrogated unfairly.

• (1155)

The hon. member must know that fishermen already participate in most if not all these activities and that in practice they are actively involved in stock assessment, fish conservation and monitoring. Fishermen participate through consultation along with other stakeholders in the development of integrated fishery management plans and the setting of fishery quotas. Many fishermen are already involved directly in managing fisheries through the co-management approach or joint project agreements with DFO.

DFO developed the co-management approach as a way to give the people who work in the fishery more say in how it is managed. An example of the co-management approach in the maritimes is the Cape Breton snow crab fishery where fishermen have entered into a multiyear joint project agreement with DFO.

Other examples of co-management include shrimp on the Scotian shelf and exploratory fisheries in skate, monkfish, rock crab and red crab.

Co-management works well as a voluntary approach that increases the participation of fishermen in decision making. The government is planning to introduce a new fishers act that would allow individuals and communities more say over decisions affecting their lives and the capacity to do longer term planning.

Fishermen and others in the industry have said repeatedly that they want government out of the daily operations of the fisheries. The government has listened.

The bill before the House today is unnecessary. There are other reasons for rejecting this bill, among which is it would be impossible to put into practice. Let me give an example of why this approach is impractical.

The bill requires that decisions not be implemented until all appeals have been exhausted and reasonable notice has been given to the fishermen involved. In 1995 the west coast groundfish trawl fishery exceeded its TACs for many species so the minister of fisheries ordered the fishery closed early in the season.

The minister did this not to deprive fishermen of their rights but to exercise his responsibility to protect the fishery. How would that situation have been handled under this bill? Would overfishing have continued while consultations dragged on and on until everyone was satisfied that perhaps the fishery should be closed? What condition would the stocks have been in by then?

Sometimes we need a person in charge with the authority to act. Those with a stake in the fishery should be consulted and they are.

Private Members' Business

But to tie the minister's hands so that essential decisions cannot be made when they must be made would be folly.

The minister of fisheries is the member of cabinet responsible for fisheries. It is up to him or her to set policy to decide when to fish, where to fish and what to fish. If the policy does not work the minister can decide to change it, usually after consulting with those affected.

But to mandate a legislated requirement to consult while the health of the stocks hangs in the balance fetters the minister's ability to act quickly in the interest of conserving the resource.

Surely the intention behind this bill is not to frustrate conservation efforts, not now when some fish stocks require extremely careful management and not when we have already made progress in adopting responsible and co-operative management.

The west coast groundfish trawl fishery now operates under an innovative management regime. This regime includes individual quotas that establish individual accountability for the harvest limits. Community representatives actively contribute to the management of the fishery through the groundfish development authority which was established jointly by the federal and provincial governments in 1996.

Change is happening and not just in the case of groundfish. Management of the west coast herring fishery is also changing in response to recommendations from the industry. Many shell fish fisheries are managed under co-operative agreements with fishermen who are contributing to innovative monitoring and observer programs.

As we all know, the west coast salmon fishery has also undergone major changes. Last June the government announced a major restructuring of the Pacific salmon fishery. It was a momentous decision and was taken only after extensive study and consultation with fishermen and others in the industry.

This consultation is continuing. After the government announced conservation measures last May to protect and restore coho salmon stocks, 23 community meetings took place throughout that province. More than 1,450 British Columbians attended these meetings and their ideas were taken into consideration.

Following the June 19 announcement of \$400 million in federal funding the government held extensive discussions with fishermen and other stakeholders on program design. They discussed licence retirement, incentives for new selective harvesting techniques, options for diversifying fishing income and opportunities and the impact of changes on coastal communities. It is interesting to note that many stakeholders requested more activity and less consultation. The government has continued to consult with fishermen on how the licence retirement program should be set up and run.

Supply

It is clear that fisheries management in this country is undergoing a transformation. It is this transformation that has been long sought by fishermen. We can see that fishermen and others with a stake in the fishery have a greater role today in managing the fishery than ever before, and that role is growing.

• (1200)

Nevertheless, it is essential that the minister retain the ultimate responsibility for conserving and managing the resource for the benefit of all Canadians. After all, it is important to remember that Canada's fish resources are managed for the benefit of all Canadians. Fishermen receive from the minister the privilege of exploiting these resources and we must remember that conservation is the government's first priority.

If there are no fish there can be no fishers. If we are to ensure that the fishery is there for our children and for their children we must conserve the resource. The bill before the House does nothing for conservation. As for giving fishermen more say in the management of the fishery, that process is already well established.

It is well for us to talk about rights, but with those rights, particularly in the area of fishing, as in all other rights, as citizens of this country we bear a responsibility to the resource, in particular as we look at conserving that resource for generations to come. It is my hope, as we anticipate further discussion on this bill and as we anticipate the vote, that we will consider the impact of those rights and responsibilities.

From a drafting perspective this bill is vague. It touches on many legal issues, including some that are outside federal jurisdiction. That is very clear. Given its vagueness this legislation would be impossible, in all likelihood, to implement in any effective manner. It is for these reasons and others which I have not mentioned this morning that I urge my colleagues in the House to reject Bill C-302 when it finally comes to a vote.

Mr. Charlie Power (St. John's West, PC): Madam Speaker, I know we only have about two minutes left in today's debate, but I want to make a few preliminary comments before concluding my comments at a future date.

First, I want to commend the member for New Brunswick Southwest for bringing in an excellent bill which would protect the rights of people who are involved in the traditional fishery all across Canada. In the 500 year history of the fishery in Newfoundland, never has there been as great a need to have the rights of fishermen protected.

All the member wanted to do when he talked about the rights of fishermen was to make sure that fishers have access to and are involved in the process of fisheries stock assessment, fish conservation, the setting of fishing quotas, fishing licences and the public right to fish.

If fishers are not allowed to be involved in that process then there is something very seriously wrong. Never has the need been

as great as it is this day. We saw what happened in this House in the last month or so. The Standing Committee on Fisheries and Oceans, which had probably the best chairman that committee ever had, the Liberal member for Gander—Grand Falls, along with eight other Liberals on the committee, made a series of recommendations which were agreed to and passed by the committee. However, when those changes came before the House of Commons, none of them were allowed to vote in favour of their own recommendations.

The Liberals will say today that we do not need someone to protect the rights of fishers. Perhaps what I should do is bring in another bill to protect Liberals on standing committees. That bill would include a special provision to allow them to make all kinds of very serious recommendations and then allow them to come to the House of Commons and vote against their own recommendations.

A second provision of the bill might be to replace the nine members on the standing committee with nine codfish who would say more about what is wrong with the fishery than certainly the Liberal members on the standing committee.

The Acting Speaker (Ms. Thibeault): I must now interrupt the hon. member. He will have approximately seven minutes left when the bill is brought back before the House.

[Translation]

The time provided for the consideration of Private Members' Business has now expired and the order is dropped to the bottom of the order of precedence on the order paper.

GOVERNMENT ORDERS

[Translation]

SUPPLY

ALLOTTED DAY—EMPLOYMENT INSURANCE

Mr. Jean Dubé (Madawaska—Restigouche, PC) moved:

That, in the opinion of this House, the government should continue with the Employment Insurance Small Weeks Adjustment Projects and amend the legislation in order to make the adjustment projects a permanent feature of the Employment Insurance Act.

• (1205)

He said: Madam Speaker, I thank you for letting me address the motion I am tabling today. I will share my time with the hon. member for Burin—St. George's.

The purpose of the motion before us today is to invite the government to correct in a permanent fashion the flaws in the Employment Insurance Act.

I realize that some parliamentarians know very little about the employment insurance small weeks adjustment projects. Yet, it is an initiative that applies to 29 regions of Canada where the unemployment rate exceeds 10%.

In fact, regions of Ontario, Quebec, British Columbia, Manitoba, Saskatchewan, the Yukon, the Northwest Territories and the four Atlantic provinces have participated in adjustment projects. It is an issue that affects tens of thousands of Canadians, and this is why it is important to discuss it today.

Let us take a moment to look at the context that made it necessary to resort to small weeks employment projects. In 1996, the federal government adopted Bill C-12, which included a major reform of the employment insurance program. The changes made included using eligibility criteria that were no longer based on the work week, but on the hours of work, and calculating benefits by taking into account every week of employment in the previous 26 weeks, including the weeks with few hours of work.

This last point was a problematical one, because including the income from these small weeks in the calculation can significantly lower benefits, and this discourages workers from accepting short work weeks.

Toward the end of January 1997, or a few weeks after total implementation of the new provisions in the act, three Liberal MPs were mandated to propose solutions to the short weeks problem to the Minister of Human Resources Development. Following up on their recommendations, the minister announced his small weeks adjustment projects on March 5, 1997. What is rather unfortunate about all this is that the government had been aware of this problem for close to a year already.

When Bill C-12 was being debated, in fact, Conservative Senator Orville Phillips proposed an amendment intended to remove weeks of less than 15 hours from the calculation of benefits. Otherwise, the senator felt, EI recipients were at risk of drawing reduced benefits if they had worked only a few hours in a given week. Unfortunately, that amendment was given the heave-ho by the Liberal majority in the Senate.

This same problem was also recognized and brought to the government's attention by a number of other stakeholders. For instance, Mathilda Blanchard, a well-known union figure in New Brunswick, was quoted on November 4, 1996 in *L'Acadie Nouvelle* as saying "I really cannot see why this matter does not seem to get picked up in this region. The 26-week factor will do a great deal of harm in a region like ours, which is characterized by seasonal work. Plenty of people will end up having to get through the winter with nothing but a cheque for \$60 or so a week coming in.

Supply

[English]

As I was saying earlier, despite warnings about this weakness in the EI act, the government took almost a year to offer some form of correction to the inequity. In fact, the Liberal response seemed to anger some business representatives who feared election politics were behind the small weeks adjustment projects since the announcement was made only a few months before the federal election.

• (1210)

With this motion the government has the opportunity to prove that the small weeks adjustment projects were not a mere electoral ploy, but an attempt in good faith to help workers accept as many hours of work as they possibly can. In my view, and in the view of my caucus colleagues, the small weeks adjustment projects have been very useful and successful. The preliminary aim of the adjustment projects was to ensure that every hour of work counts toward eligibility for the benefits and encourages people to take all available work without fear of having their benefits reduced by working small weeks.

The federal government adopted two approaches to the adjustment projects to evaluate and compare results. As I said earlier, 29 economic regions across Canada where the unemployment rate is consistently above 10% are participating in the program. Eighteen regions in Quebec and the eastern provinces are part of the bundling project. Bundling small weeks means to bundle the earnings in small weeks to meet the average earnings of the big weeks plus any small week needed to meet the minimum divisor.

Eleven regions in Ontario and the western provinces are participating in the excluding project. Excluding small weeks means that all small weeks not required to meet the minimum divisor will be ignored for the purpose of calculating benefit levels. They still count toward eligibility and duration.

These adjustment projects are slated to end on November 15, 1998, a mere three weeks away. We do not know the fate of this valuable program.

Most importantly, Canadian workers in the toughest employment areas of the country are still kept guessing.

This program has cost the government roughly \$130 million a year, a mere drop in the bucket when we consider the \$7 billion yearly surplus in the EI fund.

My colleagues in the Progressive Conservative Party have constantly argued since 1996 that the EI surplus belongs to Canadian workers and employers. It does not belong to the Liberal cabinet.

Supply

We have argued for cuts in EI premiums. In fact the chief actuary has concluded that the EI program could be sustained at a premium of \$1.90. Therefore, continuing the small weeks adjustment projects would in no way preclude a substantial decrease in EI premiums as well. All in all, continuing the small weeks adjustment projects would be a positive step toward eliminating disincentives to work.

Back when the projects were announced in 1997, many Liberal members stood in this House to praise the value of these projects. The member for Vaudreuil—Soulanges had this to say: “The adjustments announced yesterday to the Employment Insurance Act confirm that our primary concern is to encourage people who are out of work to return to the workforce”.

Diane Brushett, the former member for Cumberland—Colchester, said the following: “This will ensure that workers in every region of the country are able to take full advantage of all available work without having their benefits lowered”.

The solicitor general issued this warning: “In recent days we have heard a great deal about the small weeks anomaly in the employment insurance program. Make no mistake, it is a serious problem that must be fixed”.

The member for Hillsborough was of this opinion: “The solution will work. Small weeks are counted for eligibility but are bundled for calculating benefits. This change gives claimants the best of both worlds. I doubt there are many who would argue that reforms were not needed”.

• (1215)

Canadians already have enough difficulty finding permanent or full time work. The last thing they need is an insurance system that penalizes them for working short weeks. It tells them that the federal government wants them back at work and that all work, whether it is five hours a week or forty hours a week, should be equally considered.

I invite all members of the House to join our caucus in supporting Canadian workers by voting in favour of the motion.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Madam Speaker, I am delighted to put a question to the member for Madawaska—Restigouche. First of all, I can tell him that the Bloc Québécois is 100% in favour of the Conservative Party motion. The riding of Madawaska—Restigouche is next door to mine and I know very well that the member’s constituents are experiencing the same problems as mine with respect to this issue.

EI benefits have been substantially reduced throughout the eastern Quebec and maritime regions. As soon as it introduced its reform, the present Liberal government realized that there was a terrible problem and that a pilot project was needed to correct a

situation which was leaving people with completely unacceptable benefits, lower even than welfare.

Two years ago, as we know, this government introduced a pilot project that will come to an end in three weeks. But it is not on November 15 that people will start suffering. They have already been suffering for two weeks, three weeks, one month, two months, five months. All those who worked this summer still do not know whether they will be receiving reasonable benefits on November 15.

Could this not be pointed out to the minister? I am looking for arguments that would convince him. I would like to hear what the member for Madawaska—Restigouche thinks could be done. His motion is a timely one, particularly as it also proposes making the projects a permanent feature of the legislation so that people from our regions no longer have to beg.

There is no reason why people should be forced to beg for every little morsel of the EI fund. Could the member for Madawaska—Restigouche provide the whole picture so that the government majority will finally understand and so that members, particularly Liberal members from the maritimes, will support us on this issue?

Mr. Jean Dubé: Madam Speaker, I thank my colleague for his question.

Yes, there are only three weeks left before the end of this project. The government also knew, two years before, that there were problems with the employment insurance reform. At my first meeting of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities, I requested a thorough study of the employment insurance reform. This reform affected a number of regions in Canada, and the poorest Canadians were affected.

Today, we have to equip our young people with the tools they need to compete on the global market. Obviously, we are referring to education. Families are not even capable of paying for their children’s education, which is essential today, because of the lack of employment and the lack of income. Today we see that only three weeks are left before the end of this project. The government should perhaps have announced its intention two months ago.

The employment insurance reform was a mistake from the outset. The government made these changes only a few weeks before the election. So, if there were problems three weeks before the federal election, I am sure there are still problems today. Canadians from coast to coast are waiting to see what the Minister of Human Resources Development recommends.

• (1220)

The problem is found not only in the Atlantic region, but in Quebec, Ontario, Manitoba and western Canada, especially with the upcoming fisheries problem there. I can tell you that the workers in western Canada, especially in British Columbia, are

hoping for comments and a response from the Minister of Human Resources Development.

* * *

[English]

CANADA CUSTOMS AND REVENUE AGENCY ACT

BILL C-43—NOTICE OF TIME ALLOCATION

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Madam Speaker, I regret to inform the House that an agreement could not be reached under the provisions of Standing Orders 78(1) or 78(2) with respect to the second reading stage of Bill C-43, an act to establish the Canada Customs and Revenue Agency and to amend and repeal other acts as a consequence.

Under the provisions of Standing Order 78(3), I give notice that a minister of the crown will propose at the next sitting a motion to allot a specific number of days or hours for the consideration and disposal of the proceedings at the said stage.

* * *

SUPPLY

ALLOTTED DAY—EMPLOYMENT INSURANCE

The House resumed consideration of the motion.

Mr. Bill Matthews (Burin—St. George's, PC): Madam Speaker, I commend my colleague from Madawaska—Restigouche for putting the motion forward today for debate in the House. It is a matter that is of great concern to many of us who represent areas of high unemployment.

There was great public debate throughout the country when the government reformed the EI regulations. There are still many people who do not fully understand the impact of the changes to the EI Act and the EI regulations.

Ten days ago I met with five union leaders from my riding who were very concerned about changes to the EI regulations and about the employment insurance small weeks adjustment program. I am very pleased to see that the Minister of Human Resources Development is listening. I look forward to the minister's involvement in the debate later today.

Many of us in the House of Commons cannot identify with what \$40, \$50 or \$80 a week means to many low income families. It means that they are able to send their children to school, to buy some books and clothing, and to heat their homes. To some of us this amount of money does not seem like a lot, but to many people in high unemployment areas it is bread and butter on the table.

Supply

Adjustment programs and projects have been very positive. We should go out and about in our ridings to talk to people who through no fault of their own cannot get full time work, get called in for 20 or 25 hours a week and in many cases get paid the minimum wage. If it was not for the adjustment programs their EI rates would be severely cut.

I go on record as saying that adjustment programs have been very positive. I have written the minister and discussed the issue with him as late as Friday. Because we are running out of time quickly I am hoping the minister will bring in his evaluation of the two adjustment programs and make a decision that is positive for the thousands and thousands of workers throughout Canada who are relying or counting on the minister to make the right decision, to continue with the adjustment projects and to make them permanent.

We should not have to come back here in 18 or 24 months and face another deadline because another temporary measure will be running out. As a result of adjustment programs and the minister's evaluation we need some permanency in those programs. Workers should not have to go another 12, 18 or 24 months and be faced with the same deadline, not knowing if the bundling of small weeks or the elimination of small weeks, whichever the minister chooses, will be upon them again.

I appeal to the minister to move quickly, to make a positive decision and to make the decision permanent. It is very important.

• (1225)

I know Atlantic Canada best. Ridings such as Burin—St. George's have been devastated because of a downturn in the groundfish industry as a result of the collapse of cod stocks. People who have worked 12 months of the year for most of their lives are striving today to get enough weeks of work to qualify for EI. It has an effect on me, having grown up and worked with those people, to see what they are going through today.

Then people in corner stores and retail outlets are clawed back and get only 15 or 20 hours a week because the primary industry, the fishery, is pretty much gone. They rely very heavily on an adjustment program. If they happen to get 12 full weeks of work and make \$250 the employer can only pull them into work for six or seven weeks more and they make less than \$150 a week. It is very important that the weekly earnings average not be decreased, and that is what those projects do. They are very positive for those people. They keep their weekly earnings average up and consequently keep their EI benefits rate up.

In my meeting with union people about 10 days ago there were people sitting around the table who worked in fish plants and in stores. They know the impact of this program. They told me that without adjustment projects, without the bundling of small weeks, their EI benefits would be so significantly reduced they would not

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be able to maintain their households. That is what it means. That is the implication.

My colleague introduced his motion very well. He explained the criteria of the projects very well. I go on record as supporting the motion. I appeal to the minister. In a discussion with him on Friday he told me that he was working hard on this program. I respect and appreciate that.

We have about three weeks left. I hope we will get the minister's evaluation very soon. I hope we will get a positive decision very soon so that the thousands of people out and about the country will take some comfort in knowing there will be some stability and permanency in the minister's decision.

Whether it is the bundling of small weeks or the elimination of small weeks as in Ontario and out west, both adjustment programs have been very positive. It comes down to which one the minister chooses. Will he choose the bundling of small weeks or will he choose the elimination of small weeks?

I hope the minister will participate in the debate later and we will get some sense of where he is coming from. I am looking forward to the participation of members on all sides of the House in the debate. Most of us represent people who are benefiting from adjustment programs. We all have some people in our ridings that have benefited from this adjustment program. I look forward to their speaking in support of the motion as I do. I move:

That the motion be amended by adding after the words "and amend the legislation" the word "forthwith".

The Acting Speaker (Mr. McClelland): The amendment is in order. Debate is on the amendment.

Mr. Wayne Easter (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I always enjoy listening to the member for Burin—St. George's. I am not really surprised.

• (1230)

He talked very much in general terms. To make a proper decision the government needs to deal with specifics in terms of how the pilot projects are working.

I am a little surprised that both speakers on this amendment never in their initial remarks would congratulate the government for having seen in the beginning there was a problem with short weeks and for having fixed that problem and for having coming up with some adjustment projects to look after it. They should stand and say thank you to the government on this side of the House for having made that great move in the first place.

Could the member for Burin—St. George's give us some specific examples of how people in his riding are benefiting by these adjustment measures? So that we can get down to some concrete action, could he tell us which of the pilot programs he favours? Is it the bundling or is it the excluding?

Mr. Bill Matthews: Mr. Speaker, for some reason the parliamentary secretary wants to burn me. He wants to call it Burn—St. George's.

On a serious note I did say that it was a positive initiative. They have been positive adjustment programs. We only hope the government in its wisdom continues with one form or the other.

Let me say to the parliamentary secretary, it basically means that if someone has 14 weeks of \$300 earnings and six weeks or seven weeks of less than \$150 earnings, then the bundling of small weeks which applies in Atlantic Canada keeps the average weekly earnings up. Consequently the EI rate keeps up and they get a higher benefit. Without the bundling of weeks adjustment program, the average weekly income would drop. Consequently they would get lower EI. That is the positive. Those are the specifics.

I can tell the parliamentary secretary that in Burin—St. George's thousands and thousands of people have found the bundling of small weeks to be very positive. It is beneficial to them and their families.

The current surplus in the EI fund is there in part because the government reduced the EI benefits across the board. The government cannot use the argument that the money is not there to continue with the adjustment programs. There is a surplus in the EI account. It is a surplus that has been contributed to—

The Acting Speaker (Mr. McClelland): The hon. member for Sackville—Eastern Shore.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, I put on the desk of the member for Burin—St. George's a copy of an EI statement that I received from someone on a recent visit to Canso, Nova Scotia. It is quite simple. The EI benefit for a person who is single with minimum weeks and without this program in place is \$25 a week. If they are lucky and are married with children, they get \$31 a week. These are actual statements from people whom I recently met in Canso.

I would like the member to comment. If the bundling which I agree with on a personal note is not allowed to help those people that find it difficult to get permanent work with full time benefits and good salaries, in areas of the country such as where I come from in Atlantic Canada, what should they do? What should those people who make \$25, or \$31 for those who are married with children, on EI do?

Mr. Bill Matthews: Mr. Speaker, I thank the hon. member for his comment and question.

It is obvious what people in those situations must do. With weekly incomes of these amounts, they cannot send their children to school. If they cannot find a job and the EI rates are \$25 or \$31 a week, then it is a sad reflection and a sad thing to have to say there is only one recourse. That is for them to go down to see the welfare officer at the social assistance office.

As I said in my opening remarks, for some of us who are fortunate, and that is almost all of us that sit in this chamber, we cannot identify with what \$40, \$50, \$70 or \$80 more a week really means to the people this provision helps. There is only one recourse for those people, which is to go and see the welfare officer.

• (1235)

[*Translation*]

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, I welcome this opportunity to speak on the motion presented this morning by the hon. member for Madawaska-Restigouche on employment insurance and small weeks adjustment projects. About 18 months ago, in my capacity as the Minister of Human Resources Development, I had the pleasure of moving these projects, which have helped resolve a problem we had identified according to the government's wishes.

I am pleased to see that the member recognizes the value of some of the important changes we had to make to the employment insurance system. As the member already knows, the old unemployment insurance system was 25 years old. It simply no longer met the needs of today's new workforce.

The old system did nothing for those who worked part time, and there are many such people. The old system did not recognize the long hours put in by seasonal workers and did nothing to help people get back to work.

That is why we took on the difficult task of modernizing the employment insurance system in this country. We have put in place a completely new system—it was the first major structural reform in 25 years.

Our objective was to find a balance between giving workers the temporary income support they need when they lose their job and giving them the tools they need to get back to work.

So far, the new EI program is having some success. Over 31,000 new jobs have been created in areas of high unemployment through the transitional jobs fund program. Canadians are benefiting from the \$2 billion we invested in active employment measures and most of those who lost their job or quit with a good reason are getting income support.

[*English*]

Because of the size of this reform, we also put in place a monitoring system to help us assess the impact of the reforms and

Supply

address any potential issues that could arise. Soon after the reform took effect, we identified the small weeks problem. One of the major objectives of the reform was to make every hour of work count toward eligibility for employment insurance benefits and to encourage people to take all available work.

It soon became evident that there was an anomaly in the system that was causing a disincentive for some workers to accept small weeks of work as it lowered their benefit levels. We therefore announced a series of adjustment projects targeting 29 high unemployment regions across Canada. The small weeks adjustment projects were put in place to address the disincentive identified by employers and workers.

We decided to test two types of adjustment projects. One type included the bundling of small weeks in Atlantic Canada and Quebec. The other excluded the small weeks in other provinces and territories.

An assessment of the two types of small weeks projects is currently under way. The collection of data is now being completed. The findings will permit the government to determine the degree to which a disincentive to accept small weeks of work exists. A decision on what action may be required over the long run will be made this fall.

For the time being my department continues to process claims as if the program were to be continued.

In light of the fact that we do not have all the information required, I am afraid that we cannot support the member's motion, but we do recognize his good intentions.

[*Translation*]

As the member knows, we are also continuing to monitor the impact of the whole reform on individuals and communities.

Under the new EI legislation, we are committed to tabling an EI monitoring and assessment report before Parliament every year for five years. We take this commitment very seriously.

• (1240)

We think it is important to fully understand the impact of the reform and we want to ensure that the program meets the needs of all Canadians. The second EI monitoring and assessment report should be released next spring.

Speaking of the EI program inevitably leads me to want to discuss the beneficiaries to unemployed or BU ratio report my department released last week. The opposition, and the spokesperson for the branch office of the PQ in this parliament in particular, have tried to confuse and frighten workers with their brilliant interpretation of the information contained in this report. The beneficiaries to unemployed ratio report is full of concrete figures and statistics on unemployment.

Supply

The opposition has repeatedly tried to mix and match figures to suit their purposes while refusing to look at the true conclusions of the report.

Two of the main issues the BU report tried to address were: Whether the BU ratio was a good tool to measure the effectiveness of the employment insurance program and whether the employment insurance program was meeting its objective of providing temporary income support to Canadians who were between jobs.

The study concluded that the BU ratio is not a good indicator to measure the effectiveness of the EI system. It also concluded that the EI system is meeting its objective of providing temporary income support to Canadians who have an attachment to the labour force. In fact, 78% of Canadians who have lost their jobs, or quit with just cause, are eligible for EI.

The reason that the BU ratio does not effectively measure the effectiveness of the EI system is because the BU ratio includes all unemployed Canadians. But not all unemployed Canadians are automatically covered by EI.

Following the opposition's logic, what the Bloc would have us do is pay EI benefits to people who have never worked a day in their lives. Obviously, someone who never worked a day in his or her life is not covered under the EI system. But we have other programs to help this person enter the workforce, one of which is the youth employment strategy.

If someone decides to quit his or her job to go back to school entitled to EI? Of course not, but we have other programs, including the Canadian opportunities strategy, to help this person go back to school.

Self-employed workers do not pay EI premiums and are therefore not entitled to EI. Someone who is being paid severance pay is not entitled to EI until this severance pay has been exhausted. It seems perfectly obvious to me, but the people across the way do not want to understand.

The government is there for unemployed Canadians who are not eligible for EI but who need help. We have a variety of EI supporting programs, such as the youth employment strategy, which helps youth with the transition from school to work.

We have the Canadian opportunities strategy, which gives Canadians access to a good education so they can get better jobs. We also have the transitional jobs fund, which is creating jobs in areas of high unemployment.

We have the post-TAGS program to help affected fishers and communities move on with their lives. We have active employment measures helping people get the skills they need to re-enter the

labour market. Furthermore, we have the new hires program, which is helping employers hire more young Canadians.

The EI program is there to meet the needs of Canadian workers who are between jobs. Our government will continue to monitor closely the impact of our system and reform. We remain open to resolving problems that arise, like shorts weeks. When this problem was brought to our attention, we found interesting solutions, which the opposition has now approved, and I thank them for appreciating the amount of work we have put into this.

• (1245)

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, the minister claims that it is us, the PQ's local branch plant, as he likes to call us, who looked at the situation and made false statements. He should be reminded that, last week, Donald Charette wrote an editorial in *Le Soleil* in which he said "the first of the two methods, that is the one rightly used by the media, shows that, over the past eight years, the percentage of unemployed who are entitled to a cheque has fallen from 83% to 42%".

Mr. Charette adds that "the number of those who qualify has significantly decreased, while the fund has increased at the expense of contributors". He goes on to say that "thousands of people are thus excluded from a program that should protect them and these people probably become prime candidates for social assistance". Mr. Charette rightly concludes by saying that "if Minister Pettigrew does not have the authority to impose his views, a standing committee of the Senate and the House of Commons will have to look at the issue and restore some justice through redistribution".

These comments were not made by separatists. They are found in editorials across Canada, from the maritimes to British Columbia. Everyone says that the minister is stealing the employment insurance surplus—

The Acting Speaker (Mr. McClelland): I am sorry to interrupt the hon. member.

Hon. Pierre S. Pettigrew: Mr. Speaker, thank you for giving me the opportunity to reply—

Mr. Paul Crête: Mr. Speaker, I was not done with my comments. It is the minister who made some kind of claim. We did not hear what he said, but I would like to be allowed to conclude my remarks. I listened to him when he had the floor earlier. Now, it is his turn to listen to me.

The Acting Speaker (Mr. McClelland): I understand, but five minutes are allocated for two questions and two replies.

Hon. Pierre S. Pettigrew: Mr. Speaker, I object to the unparliamentary language of the Parti Québécois member, who is always pushing a very specific agenda that has nothing to do with helping people improve their situation and working with us constructively, because the worse things get, the happier he is.

All these people are trying to prove is that the country is not in very good shape, and he knows it.

According to the opposition member's logic, people who have never worked or paid EI premiums in their life are entitled to EI benefits. The way the member sees it, we should be paying EI benefits to people who have received severance pay. He wants us to pay—

[*English*]

The Acting Speaker (Mr. McClelland): Excuse me, with counsel, I was assured that the hon. member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques did not say anything unparliamentary.

Mr. Jean Dubé: Mr. Speaker, as we know, this bundling project and exclusion project affects 29 regions in Canada. It is not only for the Atlantic provinces. It affects Ontario, Quebec, British Columbia, Manitoba, Saskatchewan, Yukon, Northwest Territories and the four Atlantic provinces.

Can the minister assure the House today and all the people in those 29 regions that the EI applications will be continued to be processed after the expiration on November 15?

Hon. Pierre S. Pettigrew: Mr. Speaker, as I said in my intervention earlier, we are presently looking into the findings. The collection of data is being completed. The findings will permit the government to determine the degree to which a disincentive to accept small weeks of work exists. A decision on what action will be required over the long run will be made this fall. But as I said, for the time being my department continues to process claims as if the programs were to be continued. I would like once again to recognize the very good intentions of the member for Madawaska—Restigouche who really tries to do constructive work in this House as this parliament can elevate itself to.

• (1250)

The Acting Speaker (Mr. McClelland): We will be resuming debate with the hon. member for Medicine Hat, but over the last couple of weeks the word “stolen” has crept in from time to time in debate and in question period. It is a very grey area. If the word is used in a way that is not attached to a specific person but is in general, then it is not bad but it is on the cusp. I would feel much more comfortable if we did not get into that grey area. But if anyone were to use that pejorative word directed to another member directly, that would without question be unparliamentary.

Supply

It is not just the word, it is the form and the context in which the word is used.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, it is a pleasure to address the motion by the member for Madawaska—Restigouche.

I am very sympathetic to some of the points the hon. member has made. I think he has made an excellent case for some of the flaws in some of the reforms that have occurred under this Liberal government.

I am very concerned and I must criticize the government in the strongest possible terms because here we are three weeks away from the expiry of this program and we have absolutely no evidence at all as to what the impacts are of the program. It is a big program. We have spent somewhere in the range of \$230 million so far on the program. Yet we have no evidence and every year we get criticism from the auditor general coming forward saying programs lack clear measurably objectives, there are no ways to measure whether they are effective. Now we are in a situation where the program is coming to an end. My colleagues across the way are arguing that it is a good program. Others like me are saying we just do not know. We do not have any evidence. If we had some evidence it would make it a lot easier to support the member's motion.

We are in a position where the member I trust wants us to support his motion but on the other hand we have absolutely no evidence. I think it is unreasonable to ask us to support it when it is a sizeable amount of money, \$230 million to \$260 million, somewhere in that range, without any evidence at all.

Having said that, I appreciate the arguments the member has made, but to make a decision to support the motion at this point would be imprudent.

I want to talk about the need for fundamental reform of employment insurance. I am glad that this topic has come up today because I think it needs to be discussed. As members know, the opposition parties have spoken jointly for the need for fundamental reform of employment insurance. We have spoken about the need to have employers and employees get together and run this fund by themselves. We feel it is crazy to allow the government to take this huge employment insurance fund and essentially use it for whatever it wants to use it for. We think it is dangerous to have a pool of capital that large with government using it for whatever mischievous purposes it wants to use it for.

We are saying let us take that fund, let us hive it off, let us let employers and employees run the fund. Let us let them set the benefits and set the premiums.

If I were one of the people on that board the first thing I would do is argue for experience rating. Government members may recall that the Minister of Finance asked Professor Jack Mintz to produce a report on taxation on business in this country.

Supply

• (1255)

One of the things he talked about was the need for reform of employment insurance premiums. He talked about experience rating which has substantial merit. Essentially what this is, if we use the model of the United States, is an insurance scheme that would penalize all those companies that lay people off more than their industry average.

Let us talk about areas where we have a lot of seasonal work such as in New Brunswick where the mover of this motion comes from. In a situation where we have a lot of seasonal industries, such as the forestry industry, a pulp and paper outfit that lays people off more than other pulp and paper companies in that region would see its premiums go up. This would then create disincentive to lay people off.

There was an excellent documentary on television a few years ago about how experience rating works and works extraordinarily well in the state of Maine. They used the local Wal-Mart store as an example where a number of people are hired on just before Christmas but instead of letting them go after Christmas it keeps them on and gets them to stock shelves, do painting or fix up the store in various ways. If these people were let go then it would have to face higher premiums. There is a real positive incentive to keep people on.

It is time this government started to explore some of these more fundamental reforms which would go a long way to solving some of the perverse incentives or disincentives we have in our employment insurance system today. I really believe it is time to look at that.

I also want to talk about the other big employment insurance problem we have today. As members know, we have a situation where we have about a \$7 billion overpayment currently sitting in the employment insurance fund, a fund that in my judgment and in the judgment of workers and employers belongs to the people who contributed the money in the first place. I am talking here about workers and employers.

We now have the government speculating that it may decide to take that money and spend it. I submit that money does not belong to the government. It belongs to the workers, to the employers, to small businesses and to businesses in general, 95% of which are small businesses. I condemn this government for talking about taking that money.

To me it is unconscionable that the government would sit there for a number of years and allow that fund to balance its budget and then, when workers have balanced the budget, to say as thanks that it is going to take that \$7 billion overpayment that comes in every year and keep it for itself. That is unbelievable.

I asked the government why it does not just obey the law and do what the law is saying it should do which is to reduce the premiums

and give it back to workers and small business. A \$350 rebate in the form of lower premiums to somebody who is making \$39,000 a year is helpful, especially with Christmas coming up. Five hundred dollars a year per employee going back to a small business is helpful. It allows those people to withstand this economic downturn the minister has been talking about.

Why do we not just be fair? What is wrong with that? Why do we not just give people back the money we have taken from them? Not only are the four opposition parties in agreement on this issue, we also know that the provinces agree with this. We also know businesses and labour agree with this. Is it not time that the government yielded and forgot about its foolhardy pride and did the right and fair thing by giving the money back? It is unconscionable that this government is contemplating a \$7 billion raid on the EI fund.

The minister says the government is not just going to take the money, it is going to have a debate on it. What a joke. When we had the minister before the finance committee recently to give his economic statement he was making an argument about having this big debate. I said if there were really going to be a debate then why is the \$7 billion overpayment already showing up in the projections for next year. I also asked him why he has already taken for granted that the \$7 billion will go into the government coffers. He had no answer.

• (1300)

I submit, if this money really does belong to the government instead of to the workers, why does the government pay interest on that fund? Why does it pay interest if it is just to itself? Is the government paying interest to itself? I do not think so. It is paying it because it understands intuitively that the money does not belong to it. It belongs to workers and to employers. Therefore, the government has a moral obligation to give that money back.

Government members cannot continue to say "We are going to have a debate. We have decided that we know better than workers and employers how to use that money and, therefore, we are going to confiscate it". That is so fundamentally wrong.

It points to the increasing arrogance that we see from this government. It seems like no law is unbridgeable by this government whether it is pepper-spraying students or whether it is taking \$7 billion from employers and employees. It points to a very ugly trend that we see in this government.

I hope my hon. colleagues will join me in condemning the government for what it is proposing to do and ask for a more fundamental debate about employment insurance, one in which we will have the chance to hold this government accountable for its confiscation of the hard-earned premiums of workers and employers.

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Mr. Mark Muise (West Nova, PC): Madam Speaker, I too come from a riding that is very hard hit by unemployment. I see the negative impact and the ramifications that high unemployment has.

I received a letter from an owner-operator of a quick service restaurant who told me that he has to pay EI premiums on employees' hours from day one, yet these young people cannot claim EI. That creates a surplus in the fund that the employer cannot ask for in return. I see this as just another problem that is created by this whole system.

Many times I have had the opportunity to say that the Reform Party is not a national party or a true national party. When the hon. member says that he is not prepared to support the motion put forth by my hon. colleague from Madawaska—Restigouche, once more I see that Reformers are ignoring the maritimes and the Atlantic provinces.

Mr. Monte Solberg: Madam Speaker, all I can say to my hon. friend is that he cannot have it both ways. We just had the member for Madawaska—Restigouche say that this program affects the entire country. Now he is saying it is all about maritimers. He cannot have it both ways.

As a matter of fact, I would submit that the Reform Party is a national party. I was in Nova Scotia this weekend, talking to people there. In fact, I see the hon. member down the way whose riding I was in. I talked to people there and I can say they are profoundly unhappy with the choices of the traditional parties, which is why I was invited to go there.

If bigger social programs were the solution to the problems of the people in Atlantic Canada, New Brunswickers, Nova Scotians, people in Newfoundland and Prince Edward Island, then those people would be extraordinarily well off. I do not think it has worked that way.

We need a new program to create jobs. The best social program in the world is a permanent, good job, not tinkering with the current system.

My friend should consider that perhaps after 30 years the way he and his party have gone simply has not worked. Maybe it is time for a new approach for all Canadians, in particular for the people of Atlantic Canada.

Mr. Alex Shepherd (Durham, Lib.): Madam Speaker, I listened intently to the member's debate. We are talking about the surpluses we have had in the EI account for the last several years. However, the thing that seems to be missing is that the history of the plan has been deficits. There were years in which there were deficits and during those periods the Canadian taxpayer had to top up the fund.

In other words, they were not the workers and the businesses that he is talking about. In fact, the average taxpayer had to reach into their pockets and pay money into that program.

• (1305)

When the member says "Give that money back to whom it belongs", has he taken into account the reality that taxpayers have paid money to support the plan over the years?

Secondly, in my province of Ontario the premier and his party are making a lot of the fact that Ontario has a net outflow to support the employment insurance system. He thinks this is a bad thing. I suppose within his own province he can also find shifts between industries. In my riding, General Motors, for instance, argues that it only gets 60 cents on the dollar in the employment insurance program.

In his province of Alberta, does the member also support the idea that we should balkanize the plan and try to make it sustainable within provincial boundaries, or is there a realization that there is more to this country than just individual provincial concerns?

Mr. Monte Solberg: Madam Speaker, the first point I would make is that employers and employees have kicked in \$19 billion more than they have drawn out in employment insurance benefits.

I would argue that of course we need to hide this fund off so that we are not in a situation where either the government has to kick money in or employers have to kick money in to bail out the government. The fact is that this government pays \$711 million in interest on the fund as it is right now. I do not think that helps anybody, certainly not taxpayers in general.

The second point I would make is that we believe that employers and employees should set the benefits and the premiums. That is the way to handle this problem and that would not balkanize Canadians. I would argue that it would probably go a long way in de-politicizing EI and would make the program a lot more effective.

[Translation]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Madam Speaker, I am delighted to speak today to the motion presented by the member for Madawaska—Restigouche, whom I congratulate on his choice of topic.

I cannot say the same for the Minister of Human Resources Development, a technocrat who basically lets the federal bureaucracy order him around.

A pilot project to correct a glaring oversight in the EI reform was introduced in March 1997, a mere two months after the reform first

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took effect. The reform took effect January 1, 1997 and in March the government realized there was a glaring oversight. No one in the government had anticipated it. A pilot project, which will end on November 15 of this year, was put in place.

Basically, this pilot project allows an individual who has been employed for 20 weeks at \$450 a week and six small weeks at \$60 a week, to receive benefits of \$245 a week. Without the pilot project, he would receive \$198 a week. This is not a huge salary. The annual salary of someone earning \$450 a week is \$23,400. If he works full time, members can imagine the impact of \$50 a week less on his budget.

There are now only three weeks to go in the pilot project and the minister is still unable to tell us if his department has evaluated the situation properly, if it will extend the pilot project, terminate it or come up with something else.

This is wrong, because it is not the day after November 15 that this is going to hit people. It is already happening. People are already busy calculating how much they are going to have to manage on for the winter, and they do not know today whether the program will counteract the negative effect of the small weeks, whether it will have a heavy impact on their budgets.

That is what we want to say in today's motion. We want to tell the government "Everybody is saying the surplus in the EI fund is excessive". They say there is a \$20 billion surplus in the fund. The present pilot project costs between \$100 and \$125 million yearly, more or less. It takes about one-half of 1% of the \$20 billion surplus to ensure people have the minimum income required for them and their families to be able to survive.

We are facing a situation where a government is accumulating a surplus at the expense of those who earn the least, because the \$20 billion surplus was built up while the small weeks projects were in place.

• (1310)

The ministerial greediness behind this method of calculation is obvious, that of the Minister of Finance in particular. The Minister of Human Resources Development does not seem in the least anxious to defend his people. Instead, he seems totally dependent on what the Minister of Finance decides on his behalf.

This government still wants to take another \$100 million on top of the \$20 billion; always a little bit more, but Canada's social protection is being destroyed and that is where the danger lies. This is a situation that needs to be remedied. This pilot project has been in place for two years. It has been in operation, and there are masses of public servants to evaluate it. We are three weeks away from the end of the pilot project. The member for Madawaska—Restigouche wants to know from the minister "Will the project be extended or not?" He is unable to give us an answer.

He says that officials will continue to calculate things as they have been doing. It is this sort of attitude and behaviour I find unacceptable.

These people are not administering their own money, they are administering money workers and employers pay into the employment insurance plan. The issue is the fact that people must no longer be forced to beg to collect their own money. Behind this motion is the question of dignity. This is why it is vital the government look very seriously at this problem.

I would like to remind the Liberal members particularly those from the maritimes, of something. They are going to have to vote this evening. When you vote on this motion, remember the people like Francis LeBlanc and Doug Young who, here in this House, defended the government's unacceptable positions, on the very issue of unemployment insurance reform. Today, they no longer sit here, because they were sent a very clear message by the population.

I think it would be doing a favour to the current Liberal members, especially those from the maritimes, but those from everywhere else in Canada too, because the small weeks plan exists for everyone. Its impact is felt not only in regions where there are seasonal workers. Its impact is felt in Montreal, in the west and throughout Canada.

This evening we will have to decide whether the plan will continue. We will have to decide whether it will continue and be incorporated in the law. These two decisions will have to be made at the end of the day. All members in this House will have to vote. They will have to decide whether the person I referred to earlier, who earns \$450 a week during 20 weeks, should be entitled to keep receiving this \$50 or have his or her benefits cut by \$50.

People like us make a decent income; we make good money, we can get by. But after a vote has been taken and we have left this House, we must remember that voting against this motion means taking \$50 a week from workers who earn \$20,000, \$25,000 or \$30,000 a year.

Even if the government were ultimately to extend the program, the citizens, workers and employers of this country deserve a minimum of respect. This government must absolutely wake up and put forward a proposal, saying "We agree to extend the small weeks program, at least until the consequences are known. We cannot tell if it is really effective, but we do know a few things".

We know it costs between \$100 million and \$125 million a year to operate, out of a \$20 billion surplus in the EI fund. We also know that it helps low income workers. Seasonal workers are the ones who are affected the most. We know that poverty has increased tremendously across Canada in recent years. The middle class is disappearing.

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It is over the EI system that the federal government has the greatest control. The provinces are not necessarily the ones that should act on this. Money should be put back into transfer payments, but there are actions that could be taken directly from here. The decision can be made to put an end to this escalating poverty, to at least let people retain their same level of income. Most particularly, they can be allowed to retain their dignity.

Do you know what dignity means? It means that, when a worker earns a salary and is entitled to insurance, at the end of the day, that insurance program will be respected, and the rules will not be changed part way through.

Everyone who worked in seasonal employment this summer was covered by a system that included this program. For weeks we have been asking the government, particularly the Liberal minister—and clearly he is not a spokesperson for the Parti Québécois, nor are we, but he is I am sure the spokesperson for all of the bureaucrats in his department—to tell us whether he is capable of putting on the table positions like those set out this morning.

He has said that the calculations would continue as before but that he could not tell us whether the program would be extended, whether the legislation would be changed. He cannot tell us anything. What point is there in having a Minister of Human Resources Development if he is incapable of managing his main area of responsibility, employment insurance?

● (1315)

Canada is at a point in time when thought must be given to stimulating the economy and ensuring that consumption will continue. The federal government has a tool available to it. Now that there are problems with international demand and we can no longer be sure there will be a market in Asia for our products, let us at least use the tools we have available to us, let us cut employment insurance contributions, let us give people a program that at least gives families a decent income.

The minister will never again have to give the answer he gave this morning on television, when a CBC reporter from the east coast asked when he would be going to New Brunswick. The minister's response: "I tried to go there in June, but I have not found the time yet".

A person who is afraid to meet people and does not feel capable of explaining to them why decisions are made, should no longer be minister.

This evening, when all the members vote on the motion, they should also show their courage. I think it is important that they think about all the people in their ridings who will be affected. Those members who do not understand the impact can call the people in their ridings to find out. They can call the community

groups in their ridings to find out whether people will be going to soup kitchens because of the choice that will be made this evening.

I invite all members to give this some thought before they vote. A positive result would put a stop to the bureaucratic machinery and give workers back the dignity they deserve.

[English]

Mr. Pat Martin (Winnipeg Centre, NDP): Madam Speaker, I am pleased to speak to the opposition day motion put forward by the Progressive Conservatives. Our caucus is pleased to support the motion for a variety of reasons. We are critical that the motion does not go nearly far enough. We would much rather debate the EI Act and argue for its reform. It is clearly dysfunctional and broken.

The EI system is supposed to provide income maintenance for unemployed workers. It is pretty straightforward. That is the deal. That is the pact most working people understand. When they have something deducted from their paycheques for a specific reason, there is a reasonable expectation that they should be allowed to collect income maintenance should they find themselves unfortunate enough to become unemployed.

We approve of other designated uses. We find there is merit to the motion. We believe the small weeks pilot project was necessary and that it had to take place. Obviously too many people were being penalized by the divisor rule which was put in place with the Liberal amendments to the EI system.

The divisor rule is patently unfair in that it brings down the benefit for the unemployed worker by averaging all the weeks leading up to the layoff and not just the weeks in which they were worked. In other words, dead weeks or small earning weeks were being folded into the package which brought down the average. Not only do less than 40% of unemployed people qualify for any benefit at all, but those who are lucky enough to qualify for some benefit get less money and for a shorter period of time.

The hon. Minister for Human Resources Development tried to argue that those figures were not accurate. He referred to an analysis on employment insurance benefit coverage recently commissioned and released by HRDC. Holding the report as proof he made the argument that 78% of all unemployed workers actually qualified for EI. Nobody believes that. The media do not believe it. Recent editorials do not believe it. It simply is not true.

● (1320)

The minister made the allegation that opposition critics in this area were reading the report too selectively, misquoting and taking things out of context. In actual fact the minister is taking things out of context. The report clearly states as a summary of the study that

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the regular EI beneficiaries to unemployment ratio or the BU ratio—some people call it the BS ratio—had declined by almost 50% in the 1990s, falling from a level of 83% in 1989 to 42% in 1997.

That is the figure we hear most commonly quoted in the media and in our own criticisms. Critics from labour and all different groups say that approximately 40% of unemployed workers qualify for EI. Clearly the system is dysfunctional and broken. It is no wonder there is a huge surplus. It is not hard to develop a surplus when nobody qualifies any more and the few people who do qualify are getting reduced benefits and for a shorter period of time.

With that huge surplus—and I am glad other speakers raised it as an issue—we are hearing all kinds of creative ideas on how to spend money that clearly is not theirs to spend. Some people argue we should be spending it on health and social programs. Some of the premiers of the provinces are even saying that. Some people say we should use it for deficit reduction, which is what the Minister of Finance has used the surplus for. Almost unbelievably the Business Council on National Issues is calling for tax cuts.

In some sort of perverse version of Sherwood Forest we have the BCNI advocating that we rob from the poor to give the rich yet another tax cut. It is almost incomprehensible. Shear perversity is what I call it. Fortunately that idea has not caught on in any meaningful way.

Then we have people advocating that we should be cutting premiums with the surplus. A common theme in the business community is that it should be returned to business and employees through premium cuts.

Except for my caucus no one seems to be raising the issue of increasing the benefits and lowering the bar for eligibility so that more people qualify. What could be more simple? The money is deducted from our paycheques every week. To use it for anything but income maintenance would be a breach of trust at the very least and out and out theft in the worst case scenario. To take money from a person's cheque for a specific purpose and to use it for something completely different is fundamentally wrong.

As we talk about the \$20 billion surplus, an almost inconceivable amount of money in most people's minds, obviously it should be used to provide income maintenance. It should be put in the pockets of working people when they find themselves unfortunate enough to be unemployed. They will spend the money in the community. It has the multiplier effect and residual benefits.

Another point has not come up. Many of the changes to EI were quite insignificant when we look at the bigger picture of how few people qualify. One of the changes that went by almost unnoticed was that of people serving their apprenticeship training in a community college. There is now a two week waiting period.

As a journeyman carpenter I served my time as an apprentice. When I went to community college there was no waiting period for the EI to kick in. Now people are laid off from their job to go to school for eight weeks, six weeks or whatever their trade dictates, and there is a two week period where they do not get any income at all. The result has been that many apprentices are simply choosing not to take their in-school component. They are not going to school because they cannot go for two weeks without earnings.

The total savings to the EI system for reinstating this waiting period for students was \$10 million per year. The fund is showing a surplus of \$500 million per month and the apprenticeship system has been gutted for the sake of \$10 million per year. That kind of logic simply was not thought out well and should be reversed immediately.

Actually the building trades unions making this argument have a variety of good recommendations for how we can fix the EI system. One of the things they point to is that all the changes have not even kicked in yet. It will actually get worse in the next year. I guess in the government's mind it will get better because the surplus will be even bigger. One of the changes that will kick in next year is the clawback or the threshold people reach before their EI benefits are clawed back. It used to be \$63,000 a year. Those making more than \$63,000 a year would start losing their benefits. They would be clawed back. Everybody agreed that was fair, that anyone making \$60,000 a year should not be collecting EI and should be able to put some money away.

• (1325)

With this set of changes it was reduced to \$48,750. I guess we could argue whether or not that is fair. As of next year it will be \$39,000. People making more than \$39,000 will have their EI benefits clawed back.

I come from the building trades. A journey person might make \$20 or \$25 an hour. If they are lucky to get eight or nine months of work in, they might make \$39,000 a year. Hopefully they will. However they still have three months without earnings. That \$39,000 a year is not a huge amount of money. They are in a very high tax bracket. They do not get to keep the whole \$39,000.

I argue that they should not be penalized for collecting what is rightfully theirs for the three or four months they need it to span that period of unemployment. It is to everybody's benefit if we can keep people in those occupations during slow times so that they are available when the industry needs them the next spring. Otherwise they will find some other kind of work, leave town or move. It is as simple as that.

My main criticism of the opposition day motion is that I wish it went a lot further so that we could have a substantial debate about EI reform. I can only think the reason it was limited to such a narrow scope was that perhaps they were snookered by the

government. Maybe there was some optimism that the Minister of Human Resources Development would see the logic in what they were saying and would announce today that the small weeks program is a good idea, is necessary, and that they should be maintaining it after November 15. Maybe that was the optimism which motivated the people who moved the opposition day motion.

In actual fact I think they have been hoodwinked. The Minister of Human Resources Development just stood and said that they were not interested in extending the small weeks program. He was not interested in jeopardizing the windfall of \$7 billion a year that they pull out of the EI program.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Madam Speaker, I listened to my colleague's speech with interest. I would like him to comment on the position the minister took earlier. He said that, as Quebec's sovereignist representatives, all we want to do is raise doubts about the Canadian system. I would like the member, to expose the credibility of this issue, to remind the House that there are national concerns, but there are also social issues.

A few weeks ago, the opposition parties unanimously proposed to the government that management of the employment insurance fund be given to an independent commission. The other opposition parties did not hide behind the fact that we might be sovereignists. They listened to and weighed the merits of this proposal, which received the support of the Canadian Labour Congress, Quebec's labour unions, a number of business associations, and especially representatives of small and medium sized businesses.

Could the hon. member tell the minister that, in this matter, it is not our intention to give the government a hard time, but to ensure that the law works properly and to close the loophole created by the inclusion of small weeks in the calculation of EI benefits?

Could the hon. member tell this House that people today want nothing more than to be sure people will not be getting \$200 a week instead of \$250, when they need it to live, and that we are awaiting the government's decision to continue the program?

[*English*]

Mr. Pat Martin: Madam Speaker, I thank the member for his remarks. He is quite right.

I was very disappointed to hear the Minister of Human Resources Development try to trivialize this argument by taking a cheap shot, questioning the motives and the sincerity of the speakers from the Bloc Québécois. Frankly the minister of HRD represents a riding that has one of the highest unemployment and

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poverty rates in the country. Representing unemployed people in the province of Quebec should be a huge priority for him. He certainly should not question the sincerity of other representatives from the province of Quebec who are sincerely concerned about the failure of the EI system.

• (1330)

The hon. member raised another interesting point which I wish I had time to comment on. He is quite right that all four opposition parties joined together in their demand for an independent fund. We want the EI fund to be unique and fully separate from general revenues. This is the only way we can be sure that future finance ministers are not tempted to put their hand in the cookie jar and grab money that clearly is not theirs to use it for purposes not designated by the fund. It is something on which we should keep the pressure. The general public understands why this is necessary. Business, labour and all four opposition parties will continue to call for that.

Mr. Gerald Keddy (South Shore, PC): Madam Speaker, the question is for the member for Winnipeg Centre.

However, while I am on my feet I would like to congratulate the member for Madawaska—Restigouche for presenting this motion today and express my incredulity at Reform members and the fact that they dare to state in the House that they would not support this motion. Give your head a shake, boys. Give your head a shake. Think about it.

This motion is not about trying to find EI for someone who is not working. This motion is not about some type of giveaway. This motion is about bundling of weeks for people who already work, to allow them to actually benefit from the EI program. That is the type of thing we are supposed to support in this House as the Parliament of Canada, to look out for those people who need some assistance.

I would like to qualify a few statistics and take the fishery as an example. Less than one year ago there were 34,000 workers out of work in the east coast fishery. Seventy-three per cent of them had no high school education and 67%—

The Acting Speaker (Ms. Thibeault): The time has run out. The hon. member for Winnipeg Centre on a quick response.

Mr. Pat Martin: Madam Speaker, in reaction to the comments made by the member, he is being critical of the Reform Party for failing to vote in favour of this motion. Frankly the motion as I pointed out really does not go to the heart of the issue. Perhaps that is the reservation some of the members of the Reform Party have with the motion.

I wish it went much further in calling for substantial EI reform. I wish the Progressive Conservatives had taken the opportunity with

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this opposition day motion to call for an independent fund. Then I think they would get unanimity on the opposition side.

Mrs. Elsie Wayne (Saint John, PC): Madam Speaker, first I want to thank my colleague from Madawaska—Restigouche for putting forth the motion before us today. Also, I want to inform you, Madam Speaker, that I will be splitting my time with my colleague, the hon. member for Chicoutimi.

When the last round of employment insurance changes was being proposed by this government, I spoke out against aspects of the legislation that would penalize people who want to work, but this government did not listen. My party pointed out then that the effect of some parts of Bill C-12, the Employment Insurance Act, would encourage some to say no to part time work because they would be worse off if they said yes.

Today there are less than 40% of the unemployed who qualify, whereas before under the other system 80% were eligible. Everyone in this House should stop and think about those men and women who have children they want to feed, educate and care for and they do not have any money for food or clothes.

I was at the finance committee meeting in Saint John, New Brunswick last Monday, a week ago today, on the prebudget debate. A gentleman had flown in from Newfoundland. I never heard such a heart-rending report in my life about what was happening in Newfoundland and how those people were suffering.

• (1335)

One of my colleagues from Nova Scotia started to speak about the fishermen. It is a serious matter and I get very disturbed when I hear someone from the Reform Party say that it was my party that did this to the Atlantic region.

Let me say this. My riding of Saint John, New Brunswick had one of the lowest unemployment rates that we had had in many years. Things were great. The shipyard was going full blast. Do we have a national shipbuilding policy now? No. The shipyard in Quebec is down. The shipyard in Saint John is down. Most of the shipyards in all of Atlantic Canada are down.

There has to be some compassion on the government side. The government has to start thinking about those people. It really hurts when I men come to my office. Never in the 25 years that I have been involved both locally and here in Ottawa up until this past year has a man come to my office crying "Please, I will sweep the streets. I do not care what it is. I just want to look after my children".

The Progressive Conservative Party tried to improve the EI legislation in the Senate in the last parliament. Our amendments were rejected by the Liberal majority in the Senate.

It has been pointed out that a Progressive Conservative senator proposed in May 1996 that weeks with less than 15 hours of insurable earnings should not be counted as weeks of work when calculating an individual's EI benefit rate. The senator argued that otherwise claimants could end up with lower benefits if they worked just a few hours in one week thereby discouraging these individuals to take part time work.

A year later this disincentive to work in the EI legislation was confirmed. Pilot projects were launched to look into addressing the "small weeks issue".

When this government engaged in its so-called social policy review in 1994, I spoke in the House about the need to reform our social safety net. Canada's income security programs had been designed at a time when unemployment was a brief condition between jobs, when the one income, two parent family was the rule and when child poverty was not measured.

I spoke back then about the need for reforms that would reorient passive income support programs to an active investment in people, reforms that would remove barriers that prevent many from becoming active members of the labour force and reforms that would replace disjointed programs with a coherent system. Instead of adhering to these principles, some of the EI reforms proposed and passed by this Liberal government actually discourage people to go to work.

I have pointed out before and I say again that there are people in parts of Atlantic Canada who are considered frequent users of EI. It is not because they are lazy or because they are abusing the system. It is because some parts of the economy are highly seasonal. I know there are people both on the opposition and government sides that do not understand about the seasonal system. That is why they need programs that will allow them to adjust and move with the changing times. These people do not need programs that cut them off at the knees. They are people who want to work.

Employment insurance as helpful as it is does not bring the same return both financially and spiritually that a job does. That is why we have proposed the motion we are debating today. That is why we are urging that this House on both sides, everyone, be allowed to consider amending the EI act, allow workers either to eliminate small weeks of work from the calculation of benefits or bundle those small weeks together.

Good public policy encourages work, self-sufficiency, fairness and dignity. The small weeks provision in the EI act does not do this.

During the 1994 social policy review, I also spoke out against raising taxes. I said then and I maintain today that the challenge is to use money already in the system to make programs as flexible as possible so recipients can receive the benefits that help them become self-reliant and meet their needs.

That is also why I have been asking the government to lower the excessive EI premiums since 1996. The government is gouging the Canadian workers who are already overtaxed and it is stifling job creation.

• (1340)

The Minister of Finance has been overtaxing Canadian workers and employers through excessive employment insurance premiums to pad his deficit numbers. He has said as much. I hope all of my colleagues on the government side remember when the Prime Minister and the Minister of Finance stated that these high taxes make us lose jobs, that jobs cannot be created, that people in the business community will not expand when they have high taxes.

The Prime Minister, the Minister of Finance and their colleagues want to use the surplus in the fund to pay for programs that the fund is not meant to finance. The money in the EI fund is designed to provide temporary income support to unemployed Canadians. That money belongs to Canadian workers and their employers. It does not belong to the finance minister or any other minister of this government.

In February 1994 the finance minister told Canadians in his first budget that, as I have stated, payroll taxes are a barrier to jobs. They truly are. All Canadians know that there have been about 40 tax hikes since this government came to power.

My little daughter-in-law said to me the other day "Mother, I do not know what has happened. I always put money away at the end of the month for Lindsay's and Matthew's education but we do not have any money any more". I said "Dear, it is because of the taxes you have to pay. It is because of what they have done to you".

It is difficult. Back when the finance minister talked about the barrier to jobs that payroll taxes were, his context was a set of employment insurance benefit cuts proposed by the Liberals that were supposed to allow for lower EI premiums, not a cash grab at the expense of Canadians to fund projects unrelated to the objectives of the EI legislation, for short term political gain.

We are really concerned. We are concerned about what is happening with the EI fund. The auditor general has stated himself that he has concerns about what is happening with this government. I hope the government does not fire him. Every time someone speaks out, they are gone the next week.

Responsible governments recognize when bad public policy decisions hurt Canadians and they take action to correct their mistakes. I urge this government to recognize the mistakes that are there. I urge this government and all members of the Liberal government to do the right thing for those people out there. Have the needed compassion. Reach out to those people who need help. Do not hurt them any more. The government is taking away their dignity. We want to give them their dignity back. Do not make them plead.

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Mr. Alex Shepherd (Durham, Lib.): Madam Speaker, I listened intently to the member's very impassioned plea for the people in Atlantic Canada. I must say I was somewhat moved by it.

I wonder if she is aware of the fact that payroll taxes in Canada are one of the lowest in the industrialized world. The way she talked about them made it sound like they were about the highest. In fact, they are one of the lowest, which makes us a competitive place in which to do business.

My province of Ontario has a premier who has pointed to the EI system as being an unfair transfer from the province of Ontario essentially to Atlantic Canada. He is saying "We already pay money through a transfer payments mechanism, through equalization grants. We do not understand why we should have to pay more money through the EI system to support places like Atlantic Canada".

Can the member comment on the compassion of the premier of Ontario?

Mrs. Elsie Wayne: Madam Speaker, this is a national issue, not a provincial issue.

• (1345)

I say to the hon. member that everybody in this House needs to have a history lesson on the role played by Atlantic Canada, particularly my city which is Canada's first incorporated city by royal charter, in building this whole country from coast to coast. Everybody, particularly our friends out west and those in Ontario, need to travel this country to find out exactly what our people are like. Two weeks ago a person from Vancouver came to me and told me that my city was the nicest city in the whole of Canada.

As far as Atlantic Canadians go, we get hurt when we hear people from Ontario and out west refer to us as Atlantica and a drag on society. All our people want is their dignity. If we had a government that was going to look at keeping those adjustments in place then we could tell Atlantic Canadians that this government also cares for them.

I am asking members to speak to the minister. I am asking members to speak out for our people. I am asking members on the government side to fight for our people to make sure they have their dignity.

Mr. Monte Solberg (Medicine Hat, Ref.): Madam Speaker, I compliment the member for Saint John on her remarks. She made some excellent points.

The one question I have for her is somewhat in response to a question that was asked earlier by a Liberal member. Is it not a fact that if we went into a recession tomorrow the government would be forced to borrow the \$19 billion that it would have to pay out to unemployed Canadians? Is it not true that it would be a lot better to

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have that money in a separate fund where the government could not get its hands on it to misuse for all kinds of political ends?

Mrs. Elsie Wayne: Madam Speaker, we have already taken a stand. We have already said that there should be a commission for the employers and employees that looks after the surplus. This commission should dictate how that surplus is used. It should be independent of the government. We have taken that stand. We all agree on this side of the House. I am just waiting for that side of the House to agree as well.

Mr. John Cannis (Scarborough Centre, Lib.): Madam Speaker, let me remind the member for Saint John about a little history. It was the Conservative government in 1986 that passed legislation which permitted the funds to be used as they are today.

Let me also remind the member that this Liberal government has spent the last five years fixing the problems we inherited. For example, in 1993 the EI was pegged at \$3.30 per \$100. We have since been bringing it down to what it is today which is \$2.70. If the member really wants to talk to her granddaughter she should be telling her the truth.

Mrs. Elsie Wayne: Madam Speaker, in the last year of the former PC government EI premiums were frozen at \$3.00 per \$100 of insurable earnings. In 1994 the Liberals raised the level to \$3.07 which I think the member forgot about.

The member should take a look at history and what Trudeau did and the mess he left this country in when we took over.

[*Translation*]

Mr. André Harvey (Chicoutimi, PC): Madam Speaker, allow me to congratulate our acting leader, who is doing an extraordinary job for our party. She just demonstrated it again by defending some really important causes for the poor.

First of all, I want to thank the hon. member for Madawaska—Restigouche for tabling a motion that shows great sensitivity on his part.

Earlier, I heard a Reform Party member say that the motion was too narrow. Go ask children in families where the difference in terms of survival, adequate clothing and food is often a mere \$25, \$30, \$40 or \$50 what they think about this.

I say to the member who suggested that today's motion is too narrow, that he should go and repeat his comment to his constituents. I am convinced he would not get a very positive reaction.

● (1350)

A Conservative member who rises in this House always gets the same reaction: "Under the Conservatives—". I think we should also talk about the current government's track record in terms of public finance. So here is an excerpt from an editorial written by

Mr. Murray in *Le Droit*, following the last budget: "It took all these years for the unpopular measures taken by the Conservatives to produce the conclusive results that we are witnessing today".

Whenever we rise in this House, we are regularly told "you Conservatives should be ashamed. Everything you did was wrong". I am pleased to have been around when the growing debt was brought under control. I want to take a minute to talk about this, because it is important. We must put the 1974-1984 period in its proper perspective.

During that period, the Liberals increased the debt from \$18 billion to \$200 billion. The important thing here is the rate of increase. Under the Liberals, the debt grew elevenfold in a decade. Under the Conservatives, it increased twofold over a period of nine years. However, let us not forget that we also took important measures, including the signing of the free trade agreement that allowed us, among other things, to double our exports to the American market. The GST also helped the government reduce the deficit. The purpose of all these initiatives was to alleviate the burden of Canadian taxpayers. All these measures could not have been in effect for just one year. They had to be implemented over a number of years.

Despite the royal commissions, the standing committees and so forth, the Liberals always voted against these measures that were essentially good for the future of our country. They always voted against them. I am definitely not about to go on a guilt trip here. According to the Reform and Liberal parties, the motion my colleague is proposing today is not a structural one.

It is most certainly a structural measure for the families of this country. It is a structural measure for the poor people of Quebec, the maritimes, western Canada, Ontario and elsewhere. But the government does not seem to want to take it seriously. I repeat, as my colleague, the member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, pointed out a few minutes ago, for the vast majority of Canadian families, \$25, \$40, \$50 is the difference between surviving and not surviving. "mesure étroite"?

Members should try telling single parents that asking for an extension of the small weeks project is too limited an approach, as one of our Reform Party colleagues was saying, when we know very well that some people are having trouble just surviving. Young people are going to school in the morning on an empty stomach. There are serious problems of poverty in our country.

While I am on the topic, I would like to make another point. I was part of a government with a very substantial agenda in all areas, including regional development, the environment and acid rain—I was present at the signing—trade and tax reform. Right now, none of these items are on the government's agenda.

I would propose one item for the government and this country to tackle: the fight against poverty, which is the number one problem in the country right now. I read an article in which Michel Vastel said "Elected representatives are not listening to anyone any more". That is serious.

Today, a motion was proposed to help the poorest of the poor in our country. While I have nothing against deputy ministers or senior government officials, the Parliament of Canada is paying closer attention to what senior officers say than to what the poor are saying, when it is a well-known fact that the taxpayers see millions and billions taken out of their pockets without benefiting from any return on their investment.

It is my pleasure to ask all my colleagues in this House to support this extremely important measure proposed by one of our colleagues from a riding that is not among the richest in the country.

• (1355)

It does not resolve the whole issue of employment insurance, of course, but at least it is a small step that could immediately benefit every Canadian family whose extremely low income is not enough to ensure adequate subsistence for their children.

We must bear in mind that the government is not a private insurance company. Overcontributions like those currently being paid by every worker and employer in Canada are inequitable and cannot be allowed to continue. A start must be made with a little measure such as we are requesting today. It is about paying attention to Canada's poorest citizens. It does not mean establishing a structural measure, but it does give us the opportunity to propose a solution to the surplus in the employment insurance fund. It would at least enable us to ensure the survival of the poorest families.

I also understand that, for the minister, it is difficult to travel across the country. He is having a really hard time convincing himself to visit the maritimes. Clearly, a politician needs to be able to remember some things. We know about that. It is true in Quebec and it is true in all the regions of the country.

Politicians have to choose. In opposition, it is a legitimate question to ask the government whether it should be more attentive to the wealthier element in our society, that is senior public servants. I have nothing against them, but the salary increases given federal government deputy ministers are worth a look. When you put those figures before people who have a hard time surviving, it is not much of a balance sheet.

I hope we will have the support of all of the members in opposition in support of this measure, which at least sends a signal to parliament. It is possible to listen to those who are the most disadvantaged.

[English]

The Acting Speaker (Mr. McClelland): The hon. member has five minutes for questions and comments but we are just about at the time for Statements by Members. We will have the full five minutes for questions and comments after question period.

STATEMENTS BY MEMBERS

[English]

TASTE OF THE DANFORTH FESTIVAL

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I take this opportunity to congratulate the organizers of the Taste of the Danforth Festival, an annual Greek food and cultural festival in Toronto. They put together a well organized event that offered the thousands of people who attended a safe environment, excellent food and entertainment.

More so, I congratulate and applaud their successful efforts in raising funds in the amount of \$50,500 which they kindly donated to the East General Hospital in Toronto. That is giving something back to the community.

Bravo to the organizers of the Taste of the Danforth Festival. Keep up the good work and next year I invite everyone to take some time to take part in this beautiful festival. By doing so not only will people enjoy themselves but will at the same time contribute something to the community.

* * *

BRITISH COLUMBIA

Mr. Randy White (Langley—Abbotsford, Ref.): Mr. Speaker, I wonder how long the good people of British Columbia are going to put up with this Liberal government.

Since we got elected in 1993 a lot of things have happened in British Columbia. For instance, we lost our harbours police and we lost two military bases in British Columbia thanks to this Liberal government.

Our B.C. RCMP has been reduced to a 9 to 5 police force thanks to the cutbacks in the operation budget by the Liberal government.

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Our B.C. fishing industry has been torn apart by the Liberal government. B.C. land claim issues have been a mystery to most of our residents and the beleaguered taxpayer is still picking up the bill. We have a major drug problem and this government does not even have a decent national drug strategy.

I ask all members in this House and I ask the people of British Columbia, just what is it over here that this government intends to do with British Columbia?

* * *

• (1400)

KIDS FROM THE VALLEY

Mr. Hec Clouthier (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, it is with pride and pleasure that I announce a group of young step dancers from the great riding of Renfrew—Nipissing—Pembroke became world champions in Los Angeles on Saturday. Kids from the Valley won the gold medal at the World Championships of Performing Arts as well as the prestigious overall world championship trophy in the dance category.

Kids from the Valley are no strangers to the House. Last month they performed for all members of parliament at Kingsmere. Mr. Speaker, as you well recall, you hosted the parliamentary barbeque and even danced with Kids from the Valley. Members from all parties were united in emotion as they clapped or jigged with the kids. The member for Saint John showed she is really fast on her feet.

The Kids from the Valley are Amy and Sarah Chapman, Krista and Steven Rosein, Katie Moyles and Kristin Carr. They are true ambassadors of Canadian culture.

[Translation]

They are truly Canada's ambassadors.

* * *

REGIONAL DEVELOPMENT

Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.): Mr. Speaker, there is more good news for the economy of eastern Quebec: the Government of Canada will be investing \$11.3 million over the next five years to launch Quebec's first Technopole maritime, involving a dozen partners in the Lower St. Lawrence, Gaspé and North Shore areas.

This money, which is going to a region that has taken the initiative in developing its economy, will be used to develop eastern Canada's shipping expertise. Most of the money will go towards the direct funding of applied research projects, with the emphasis on shipping.

The program will be administered by Canada Economic Development. It will encourage regional partners to join forces in developing eastern Quebec's shipping expertise. A study of the feasibility of setting up a shipping biotechnology research centre in eastern Quebec will be carried out.

This is good news, something the Liberal government is doing to encourage partners in the eastern Quebec region and thus develop shipping expertise with a future.

* * *

[English]

GOVERNMENT OF CANADA

Mr. Chuck Strahl (Fraser Valley, Ref.): Mr. Speaker, the horse race for the most outrageous action of the Liberal government has begun, and they are off.

The first one to the gate is the finance minister stumbling rather badly while carrying the extra load of high taxes, user fees and several tons of debt. Coming up on the inside is the Minister of Public Works, trying to convince the world that the cost of repairs to the House of Commons should not be included in the cost of repairs to House of Commons.

The Minister of Justice seems content to ride backwards on a beautiful Senate reform thoroughbred named Alberta while the Prime Minister is hampered by his tendency to pepper spray everyone else in the race.

As they reach the final turn it is the Prime Minister out in front, running now with his own foot in his mouth while trying to castigate his chief of staff for getting him into the race to begin with. The Minister of Public Works has wandered into the infield, disqualified for firing a bureaucrat who pointed out the difference between cost accounting and the minister's colouring book, while the Minister of Justice is whipping Alberta and calling her a joke, which means Alberta will get even with her later.

As they come to the wire, the finance minister is making a valiant effort but he is held back by extra EI premiums that are forcing him to use the whip on workers and businesses.

But, great scott, coming out of nowhere is the solicitor general whispering loudly to everyone in sight while pretending to be invisible. The other participants are falling away. They are in awe of his ability to remember, forget, deny and confirm, all at virtually the same time. The winner, hands down, is the solicitor general and the loser is the Canadian people.

* * *

STREET CENTS

Mr. Rey D. Pagtakhan (Winnipeg North—St. Paul, Lib.): Mr. Speaker, the television show *Street Cents* provides young people with the information they need to be smart consumers in the midst of aggressive marketing and advertising. This show is a valuable forum for young Canadians to assert themselves.

Since one of our greatest responsibilities as members of parliament is to nurture the assertive minds of our youth, it is therefore my pleasure to note that today *Street Cents* is celebrating its 10th anniversary. Produced at CBC Halifax, this program has won dozens of national and international awards, setting a positive example of the quality programming that is created in Canada.

Let us applaud the producers of *Street Cents* and hope this television show will inspire more youth programming in the future, for the future of our country.

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[*Translation*]

NATIONAL BLOCK PARENT WEEK

Mr. Jacques Saada (Brossard—La Prairie, Lib.): Mr. Speaker, this week is National Block Parent Week. This year marks the 30th anniversary of the block parent program in Canada.

Public safety is one of the government's highest priorities. All Canadians want their communities to remain safe, and that is why organizations like Block Parents of Canada exist.

This organization deserves our recognition and support. The volunteers who make up the program devote their time and energy to raising public awareness, ensuring the safety of their communities and, above all, protecting our children.

Whether involved in making schoolyards safer, reducing street crime, or decreasing the public's fears of crime, this program is a concrete illustration of the importance Canadians attach to public safety, a value this government shares.

I am calling upon all Canadians to join us in honouring Block Parents of Canada and its remarkable work in our communities.

* * *

• (1405)

[*English*]

GORDON MOLENDYK

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I would like to pay special tribute to a very special person in my riding who has just made been citizen of the year.

Constable Gordon Molendyk is a dedicated and hard working representative of the RCMP who is even better known for his countless and tireless community volunteer work. His volunteer efforts play a large part in making my home town of Prince George a great place to live. His integrity and devotion to his work is an example to all those who see and enjoy the benefits of our community and his dedication to our community every day.

On behalf of all of my colleagues I wish to send my sincerest appreciation and congratulation to RCMP Constable Gordon Molendyk for his many services to the people of Prince George in my riding and to all of Canada.

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UNICEF

Mrs. Rose-Marie Ur (Lambton—Kent—Middlesex, Lib.): Mr. Speaker, October is UNICEF Month.

On October 24, 32 Cineplex theatres across Canada raised \$40,000 from the sale of popcorn and drinks. This will help the United Nations Children's Fund protect the rights of children around the world.

UNICEF day at the movies is one of the many fundraising initiatives culminating in the annual trick or treat for UNICEF campaign on October 31, when Canadian children carry the orange and black collection boxes on Halloween night. Carrying these boxes is a Canadian tradition raising \$4 million in Canada annually. A little money goes a long way. Thirty five cents provides 15 vitamin A capsules to protect against blindness. Just \$5 will supply school workbooks for 80 children.

This Saturday help UNICEF continue its positive work around the world.

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MI'KMAQ

Mr. Gordon Earle (Halifax West, NDP): Mr. Speaker, Mi'kmaq of Nova Scotia have achieved tremendous gains since the failure of the government's disastrous centralization policies of the 1940s when over 1,000 Mi'kmaq were forcibly removed from their communities, losing homes, farms, schools and churches in the process.

October is Mi'kmaq History Month. I am pleased to draw the attention of all Canadians to this event. I am honoured to offer tribute in the House of Commons to all the Mi'kmaq who worked to maintain and develop Mi'kmaq traditions, education and culture.

The time of the harvest is indeed the most fitting time to celebrate the ongoing contribution of Mi'kmaq, not only to their own first nation but also to Nova Scotia as a whole and to all the Atlantic provinces. Part of the bounty reaped through Mi'kmaq efforts this year have been the tremendous gains in the area of Mi'kmaq education in Nova Scotia.

My NDP colleagues and I salute Mi'kmaq's struggles, achievements and many victories.

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COMMUNITY FUTURES DEVELOPMENT CORPORATIONS

Mr. Brent St. Denis (Algoma—Manitoulin, Lib.): Mr. Speaker, as we celebrate Small Business Week I rise today to remind the House of the important work done by the many community futures development corporations throughout Canada, especially in my riding of Algoma—Manitoulin.

S. O. 31

With the help of volunteer boards of directors the seven CFDCs play a pivotal role in fostering local economic development. They work with our communities, give local small business direct access to capital and good advice, and make available to them the services of the federal government.

I wish to salute the Laclache Manitoulin Business Development Corporation, the Waubetek Business Development Corporation, the Community Development Corporation of Sault Ste. Marie and area, the Community Development Corporation for East Algoma, the Nord-Aski Non-Profit Development Organization, and the Superior East and the Superior North Development Corporations for their excellent service to our communities and entrepreneurs in my riding.

I ask all hon. members to join me in congratulating the fine work of all CFDCs throughout Canada.

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EPIDERMOLYSIS BULLOSA

Ms. Sarmite Bulte (Parkdale—High Park, Lib.): Mr. Speaker, today I would like to raise awareness about EB. EB refers to epidermolysis bullosa, a group of rare and devastating genetic diseases characterized by extremely fragile skin and recurrent painful blisters. To date there is no cure for EB.

Despite the physical limitations that can be caused by EB there is no impairment of intelligence. Many EB sufferers excel at work and in the classroom.

The Dystrophic Epidermolysis Bullosa Research Association of Canada, also known as DEBRA, is seeking to develop a national registry of EB sufferers, raise awareness of the disease and encourage Canadian research into EB. Many of the problems of EB sufferers can be overcome with the support of a well informed and caring community.

For this reason I seek to bring attention to EB and encourage research and efforts to care for those who suffer from this devastating disease.

* * *

● (1410)

*[Translation]***J. ALPHONSE DEVEAU**

Mr. Mark Muise (West Nova, PC): Mr. Speaker, last Thursday, J. Alphonse Deveau of Rivière au Saumon, a great historian, author and researcher, was inducted into the Order of Canada by the governor general. He was the recipient of this honour in recognition of his great contribution as a witness to Acadian culture and history.

Mr. Deveau was the fourth Acadian from Nova Scotia to be admitted to the Order of Canada. I am proud to point out that all four are from my riding of West Nova.

I have known Mr. Deveau for a long time, and have always admired his devotion to the Acadians of southeastern Nova Scotia. I, and countless other Acadians, have discovered the distinctive wealth of our heritage from the wonderful writings of this great Canadian.

In closing, my congratulations once again to Mr. Deveau for his induction into the Order of Canada, and my best wishes for the future.

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QUEBEC-JAPAN RELATIONS

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, I take this opportunity, as we are welcoming a delegation of parliamentarians from Japan, to point out that 1998 marks the 100th year of relations between Quebec and Japan

Indeed, it was 100 years ago that Sister Hélène Paradis, from the Franciscaines Missionnaires de Marie community, took charge of a hospital, in Kumamoto. Since then, Quebec religious communities have played a major role in the development of Japan's education and health system.

After the second world war, the Quebec government was the first to borrow from Japanese financial institutions. Also, it was 25 years ago that Quebec opened its general delegation in Tokyo.

These 100 years of rapprochement between Quebec and Japan were marked this year, in Montreal and in Tokyo, by a number of activities. Let me take this opportunity to welcome our honourable guests from the land of the rising sun.

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*[English]***CANADIAN FORCES**

Mr. John Maloney (Erie—Lincoln, Lib.): Mr. Speaker, the message is clear. Sexual harassment will not be tolerated, especially among the ranks of the Canadian Armed Forces. Chief of Defence Staff General Baril recently stated that harassment is particularly appalling when it occurs in our military.

In a system where chivalry, honour, protection of the weakest and respect for all should be guiding principles, General Baril is demanding a higher standard of conduct for members in uniform, as are Canadians, as am I. There are no excuses for this unacceptable behaviour, and those who do not comply can expect to pay the price.

I commend the military for taking a hard line against sexual harassment. It will help to eradicate such inappropriate conduct in the Canadian forces as well as send a clear and unequivocal

statement to society that sexual harassment and sexual misconduct in any form are intolerable.

* * *

EMPLOYMENT INSURANCE

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, what to do with the \$7 billion EI surplus is a question of fundamental fairness that every Canadian understands.

The finance minister says he wants to debate the issue but the fact is that the money is not his to spend. It belongs to the workers and employers who were forced to pay an extra \$7 billion into the plan because they have been overcharged for their EI premiums.

It means the average worker is asked to pay \$350 too much into this fund every year. It means the employer who hired him pays \$500 too much into this fund every year. It means that the finance minister skims billions of extra taxes from the pockets of those least able to afford it.

If the minister chooses fairness he will give this money back to the people it belongs to. If he chooses political expediency he will confiscate the money to get around the law and pad his political slush fund. I hope he chooses fairness.

* * *

[Translation]

FONDS DE SOLIDARITÉ DES TRAVAILLEURS DU QUÉBEC

Mr. Odina Desrochers (Lotbinière, BQ): Mr. Speaker, the Fonds de solidarité des travailleurs du Québec is celebrating its 15th anniversary.

Born out of the economic crisis of the early eighties, this workers' fund has become, like Quebec's Caisse de dépôt et placement, and the General Investment Corporation of Quebec, one of the finest examples of Quebec's specificity, and one of the major venture capital corporations in Canada.

With assets of \$2.5 billion, the Fonds de solidarité has helped create, protect or maintain over 56,000 jobs in Quebec. The fund is also a vast network of 16 regional funds and 85 local investment corporations dedicated to promoting employment and regional development.

At a time when some are talking about dismantling our collective development tools that were acquired after a great struggle, the Bloc Québécois salutes the major achievements of the Fonds de solidarité and wishes it a long life.

Oral Questions

ORAL QUESTION PERIOD

• (1415)

[English]

QUEBEC ELECTION

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, over the weekend the Prime Minister fired the first shot in the Quebec election, but unfortunately he shot at his own foot.

By saying that Quebec's demands have already been filled and that the Constitution is not a general store the Prime Minister gave the impression that Canadian federalism is not open to change.

Why on earth would the Prime Minister make such remarks on the eve of the Quebec election?

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, the list of changes in the last years is quite impressive and it is certainly the will of the Prime Minister and the government to go ahead and improve this federation for the good of the federation of Canadians, including Quebeckers.

Look at the list. I will indicate some changes that have been made during the last years. For instance, the use of federal spending powers, and the reduced conditions of the main federal transfers to the provinces with the creation of the CHST. The list is long.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, the changes that are impressive to Quebec are demands for change outside Quebec.

The Calgary declaration, the premiers' proposals for improving the social union, the official opposition's new Canada act and the Alberta Senate election all represent healthy demands from outside Quebec to change the federation.

By telling Quebeckers that reform of the federation is not an option, is the Prime Minister slamming the door on all of these other initiatives for change?

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, the Prime Minister never said that reform of the federation is not an option.

We are improving the federation again and again, and we are still waiting for constructive solutions from the Reform Party.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, the impression the Prime Minister gave by his remarks over the weekend was that the federation is not open to change.

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What the Prime Minister should be telling Quebeckers is that there is a positive demand for change outside Quebec and that Quebeckers do not have to decide between the status quo and sovereignty.

Will the minister help the Prime Minister to get his foot out of his mouth and tell Quebeckers today that reform of the federation is a viable option for the future?

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, what is a good option is certainly the improvement of the federation.

The federation has been improved by this government, especially during the last years, as never in the past. I have cited federal spending powers. There has also been quite an improvement in many files like mining, forest development, tourism, social housing, job training agreements, the national child benefit system, environmental and health programs, the constitutional amendment for Quebec—

The Acting Speaker (Mr. McClelland): The hon. member for Edmonton North.

* * *

APEC INQUIRY

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, on Saturday the Prime Minister told *La Presse* how he really feels about APEC and I quote:

This is a marginal issue. If you want to know my opinion as to whether this is a big problem, BAH! This is a marginal problem. I knew the police could do their job and the police did its job. If they went too far, people will see. They think Carle spoke to police and it's possible that he did. I hope he did. I don't know. Jean Carle will testify. Nobody was hurt and police even offered towels to the protesters to wipe their eyes. I can't testify because they didn't ask me to testify.

Could someone over there please tell us what in the world this means?

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, what this means is that there is a process in place, the Public Complaints Commission.

That process was designed by parliament in 1988 to deal with matters such as this incident and that is exactly what it is doing.

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, the solicitor general knows now that the process has been blown out of the water.

The federal court is looking into Gerald Morin's case right now and his comments at a casino, which is more than it is doing for the solicitor general.

This whole commission has been tainted. The students and the RCMP say that they no longer trust the process. The Prime Minister and the solicitor general seem to be the only ones who are pleased about this. Again we say "bah".

When is the government going to shut down this sham and call for a full investigation, a judicial inquiry to look into the Prime Minister's role in the APEC scandal?

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, as I said, the Public Complaints Commission is the master of its own procedure.

• (1420)

Allegations were made. The public complaints commission is the appropriate organization or agency in which to take action. They did and it referred the matter to the federal court and that is where we stand.

* * *

[Translation]

THE CONSTITUTION

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, over the weekend, the Prime Minister boasted that all of Quebec's traditional demands had been satisfied.

Yet, as far as we know, none of the governments that have succeeded each other in Quebec since 1982, none of the major provincial political parties, none of our leaders, whether federalist or sovereigntist, think that Quebec should sign the 1982 Constitution.

If indeed it is "Mission accomplished", as the Prime Minister said, can the Deputy Prime Minister explain how come not one of the governments, parties, leaders and—

The Acting Speaker (Mr. McClelland): The hon. Minister for Intergovernmental Affairs.

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, the Government of Canada is totally committed to continuing to improve our federation, in partnership with the provinces and with the deepest respect for their jurisdictions and priorities.

In fact, my recently appointed counterpart in Quebec recently bragged about how much this federation had improved these past few years.

It would be even better if Quebec was led by a government that believes in Canada instead of one bent on breaking it up.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I would like to point out to the minister that the agreements on immigration, manpower and school boards were entered into with sovereigntist governments, because these governments are dedicated to looking after the interest of Quebec. They were not mere puppets.

How can the minister explain the Prime Minister's "mission accomplished" statement, when not one single political leader in Quebec—not Lucien Bouchard, Mario Dumont or Jean Charest—is

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prepared to sign the 1982 Constitution? If everything is so rosy, why are they not signing?

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, Quebecers who want to improve the Canadian federation, including its Constitution, would do well to vote for the Liberals and Jean Charest, and certainly not for Lucien Bouchard and the Parti Québécois, who have no desire to improve this federation. Their only desire is to break it up.

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, in addition to telling us that he had met all Quebec's traditional demands, the Prime Minister told us that his ministers would be giving the Liberal Party of Quebec a hand during the upcoming election.

When the federal ministers are campaigning for Jean Charest in Quebec, will they be telling voters that all Quebec's traditional demands have now been met?

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, the Premier of Quebec, the leader of the Parti Québécois, said on the weekend that we had better watch out for a freeze.

The only freeze we are watching out for, apart from the usual winter one soon to begin, is the four-year freeze on referendums that would set in if his government were re-elected.

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, my supplementary is for the Minister of Intergovernmental Affairs.

When he is out canvassing, will the minister be offering people an explanation of the position taken by his leader, the Prime Minister, who says that everything has been sorted out, or the position of their protégé, Jean Charest, who says it has not? Which position will he be explaining to voters?

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, the Prime Minister never said that everything has been sorted out. The Prime Minister wants to move forward and improve the federation.

We are pleased to note, I might add, that the provincial Liberal Party leader's goals are the same as ours. He wants to improve the federation and bring about a better social and economic union. In co-operation with other Canadians, we Quebecers have built a country that is the envy of the world and we will continue to improve it.

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[English]

APEC INQUIRY

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, the government continues to stonewall the APEC inquiry. It has

delayed the proceedings. It has attacked the chair of the public complaints panel. Now it has filed five exemption certificates to suppress relevant documentary evidence.

We got into this mess in the first place to save embarrassment to an Indonesian dictator. Is this latest tactic not just to save embarrassment to a Canadian prime minister? Is that not the real truth?

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, as I have said many times, in 1988 this place, parliament, decided how we would choose in this country to deal with complaints by Canadian citizens against the RCMP. Once that process is commenced by a complainant it is the master of its own procedure.

• (1425)

Anything that we might do to affect that outcome would be completely inappropriate. It would be inexcusable and we will not do it.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, the solicitor general has made my point exactly. If we cannot get the documents we cannot get the truth.

Why is the government forcing the students who have been denied legal funding to go to court to try to pry the government's veil of secrecy off? When so many of the documents relating to Suharto are suppressed, how can anyone believe that this government wants to get to the truth of the matter?

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, counsel to the commission has been provided all the documents that have been requested.

* * *

EMPLOYMENT INSURANCE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, this government appears to be gouging Canadian workers and employers through excessive EI taxes. Combined CPP and EI premiums under this government have brought payroll taxes to their highest level in history. The current EI act allows premiums to come down significantly.

Is the government planning to introduce legislation to block the EI premium cut required under the current law?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, our payroll taxes in this country are substantially below the OECD average. They are below the United States.

In fact, each and every year since we have taken office we have reduced EI premiums. We reduced those premiums by \$1.5 billion in the last mandate.

I must say that in the last three years of the Tory regime each and every year those premiums went up.

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, the minister knows very well that the previous government froze EI premiums

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at \$3 for 1993 and that it was under his government that they rose to \$3.07. The minister may want to hide behind his selective memory, but he cannot run away from the fact that he and his government are trying to play fast and loose with billions of dollars that belong to Canadian workers and employers.

When will the minister do the right thing and cut EI premiums to \$2 so Canadian workers can put the money in their pockets and employers can take that money and create more jobs for our people?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, when we took office the intention of the previous government, had they won the election, was that the premiums were going to go to \$3.30 and we did not let that happen. Not only that, but when the previous government took office those premiums were around \$2. When they left office they were going to \$3.30. The only issue is, when will the Tories get their research right?

* * *

APEC INQUIRY

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, the solicitor general has just made a statement to this House that is simply untrue. Chris Considine—

Some hon. members: Oh, oh.

The Acting Speaker (Mr. McClelland): I would ask the hon. member for Kootenay—Columbia to withdraw that assertion.

Mr. Jim Abbott: Mr. Speaker, out of respect for the Chair, I withdraw that statement.

Chris Considine, the APEC commission lawyer, does not have the authority to demand the censored documents from the RCMP or from the Prime Minister's office. The solicitor general knows that. Yet he just stood in this House and said that all the documents they wanted were available. That statement was incorrect.

When is this government going to get to the truth through an independent judicial inquiry?

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, it is quite the contrary. Counsel to the commission has access to the information. Counsel to the commission has never expressed any problem with the availability of the information that has been requested. It is that simple.

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, if that is the case, perhaps the solicitor general can explain to Canadians why it is that counsel has had to go to some of the students—the students that the Liberals denied funding for lawyers for—and he is counselling the students so they can help commission counsel get these documents.

The solicitor general does not know what is going on. My question again is: When are we going to get to an independent judicial inquiry?

• (1430)

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, the member is absolutely wrong. The complainants have access to challenge the decision of the counsel to the commission, and the counsel to the commission is doing his job by showing them how to do that according to the rules of the public complaints commission. That is how it is done.

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[Translation]

FEDERAL SPENDING POWER

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, on the weekend, the Prime Minister said that, in constitutional terms, and in other terms, he had settled the question of Quebec.

When he canvases the electorate in the next election, how will the Minister of Finance explain to Quebecers that one of Quebec's main historical demands—the limitation of federal spending power in areas of provincial jurisdiction—has not been resolved at all and that the federal government continues to invade Quebec's jurisdictions?

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, the fact is that federal spending power exists in all federations around the world and that, in Canada, it is used the least and is accompanied by fewer conditions.

Nevertheless, in the 1996 throne speech, the Government of Canada limited federal spending even further than what was provided in the Meech Lake accord, which was approved by the Bourassa government and by a certain federal minister of the time, Lucien Bouchard.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the minister should have added “and whose demise was partly the responsibility of the Prime Minister of Canada”.

On the subject of canvassing, how will the Minister of Finance explain to Quebecers that he is continuing to refuse to compensate Quebec in the amount of \$2 billion for the cost of harmonizing the GST with the QST, an amount even Jean Charest is calling for?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, when they go from door to door, the Liberal candidates will be able to say that, between 1993 and 1998, the federal government transferred to Quebec only \$2.1 billion in tax points, increased equalization payments by \$1 billion, gave out \$200 million in tax

benefits for children and provided nearly \$650 million for the infrastructure program.

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[English]

ABORIGINAL AFFAIRS

Mr. Derrek Konrad (Prince Albert, Ref.): Mr. Speaker, on Saturday morning Canadians were appalled to read in the *Globe and Mail* about conditions on the Hobbema reserve. While some children on the reserve sleep on filthy mattresses in the basements of burned out houses, their jet set leaders are living in luxury both at home and abroad.

The official opposition together with band members has been calling for a forensic audit into the band's finances for the last year but the minister has refused.

Why is the money not getting to those who really need it?

Hon. Jane Stewart (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the pictures that members may have seen on the weekend are what I am confronted with on a daily basis as Minister of Indian Affairs and Northern Development.

These are real people with real problems and they demand real change. I am glad for this question and look forward to others which will give us the opportunity to discuss the complex relationship that exists between aboriginal people and the Government of Canada, which allow us to explore past approaches which have not worked in making change for aboriginal peoples, and to share with this House the real approach that will make sustainable change on behalf of aboriginal people that this government has presented.

Mr. Derrek Konrad (Prince Albert, Ref.): Mr. Speaker, even while we speak some children on the Hobbema reserve in Alberta are living in conditions that would appall an experienced foreign aid worker. Their parents are among the 80% of residents living on welfare on what should be one of the wealthiest reserves in this country.

I again ask the minister why is the money not getting to those who really need it. Where is the forensic audit that we and grassroots natives have been calling for?

Hon. Jane Stewart (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I am glad that the opposition has finally come to its senses and has realized that the circumstances on reserves are difficult and do need the support of all of us.

For far too long the solutions have been have the federal government come to the rescue, have the federal government fix the problems. We tried that at the turn of the century and it has not worked. Our approach now is to work in partnership with first nations, my goodness perhaps even with members of the opposi-

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tion, to build a plan that will create real change on behalf of aboriginal people.

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[Translation]

HEALTH CARE

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, out of solidarity with his Cabinet colleagues and the Prime Minister, the Minister of Health will have to support Jean Charest and the Liberal Party at the next election in Quebec.

What does the Minister of Health have to say to Quebeckers in response to Jean Charest, who said "Forget Lucien Bouchard, forget Jean Rochon. The one really responsible for health cuts is the Prime Minister of Canada"?

• (1435)

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, we increased transfers. Last year, we increased them by \$1.5 billion, and we have already said that health is a key priority for this government. We intend, when we are in a position to do so, to reinvest in health, in partnership with the provinces.

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, the Minister of Health said he would fight the policies of Ontario's Premier Mike Harris.

How will he justify his support for Jean Charest, whose policies largely mirror those of Mike Harris?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, we have our own policies. Based on these policies, health is a key priority, and we intend to reinvest in that sector soon.

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[English]

AGRICULTURE

Mr. Jake E. Hoepfner (Portage—Lisgar, Ref.): Mr. Speaker, in 1996 a Lethbridge farmer was sentenced to a \$4,000 fine or six months in jail for taking \$5 worth of wheat across the border.

Today 29 farmers are going to court in Regina for doing nothing more than exporting their own grain. They did not want to sell it to Ottawa's wheat board. Now they are faced with going to jail.

Why is the justice minister seeking such cruel punishment for nothing more than a farmer selling his own grain?

Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, there are rules, regulations and laws applicable in every jurisdiction in this country and in the world. It is incumbent on all

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of us who respect democracy and the rule of law to follow those rules and regulations.

It is the responsibility of government, no matter how difficult it may be in some circumstances, to make sure that those laws are applied impartially in all circumstances, and that is what is happening in this case. Obviously this government will not comment on any case before the courts.

Mr. Jake E. Hoepfner (Portage—Lisgar, Ref.): Mr. Speaker, I am sure glad and assured that the minister looks after the law. The judge who handed out the cruel sentence to this Lethbridge farmer has a son who was convicted of robbing a casino at knife point in 1996. He received nothing but a suspended sentence.

A knife wielding robber gets a suspended sentence but the robber's father hands out a huge fine or a jail term to a farmer for selling—

The Acting Speaker (Mr. McClelland): The hon. Minister of Natural Resources and Minister responsible for the Canadian Wheat Board.

Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, I have absolutely no knowledge whatsoever of the allegations made by the hon. member.

I am sure these are allegations the Minister of Justice would like to inquire into in terms of the integrity of the Canadian judiciary.

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[Translation]

MILLENNIUM SCHOLARSHIPS

Mr. Bernard Bigras (Rosemont, BQ): Mr. Speaker, the Prime Minister contends that all is settled with respect to the federal government's spending power and Quebec's right to opt out.

But this is the Prime Minister who wants to celebrate the new millennium by infringing upon Quebec's jurisdiction over education, with his millennium scholarships.

When he goes door to door, how will the Minister of Human Resources Development justify this new interference in education with the millennium scholarships, which no one in Quebec wants?

• (1440)

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, it is my understanding that the Quebec National Assembly unanimously approved an approach to the millennium scholarships. The Prime Minister of Canada wrote the premier of Quebec a letter, saying it was a good approach. The millennium scholarships are no longer a contentious issue, except when the

Bloc Québécois and the PQ are trying to pick a fight, and Quebecers have had enough.

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[English]

AGRICULTURE

Mr. Murray Calder (Dufferin—Peel—Wellington—Grey, Lib.): Mr. Speaker, my question is for the minister of agriculture.

Over the weekend I had a chance to talk with five farmers in my riding about low commodity prices. What I would like to know and what they would like to know, concerning the suffering it is causing in rural Canada today, is whether the minister is aware of it. What does he plan to do to address this problem?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, we certainly are aware of the unfortunate circumstances that low commodity prices in the world are bringing to many of our Canadian farmers.

I remind everyone that we already have one of the best safety net systems in the world. For example, it has \$2.5 billion in the NISA accounts. We are making arrangements so that farmers can draw on that earlier if they need it.

In addition, last week I called a meeting for November 4 of the key farm leaders in Canada and the provincial governments so that we could talk about the realities of today, how we will discuss those and how we will approach improving the situation for Canadian farmers.

* * *

GASOLINE

Mr. Jason Kenney (Calgary Southeast, Ref.): Mr. Speaker, the other day the Minister of the Environment announced with glee a new tax on gas. She said it would cost Canadian consumers only about a cent a litre. However, a Liberal member, the member for Pickering—Ajax, the respected chairman of the Liberal caucus on gas pricing, said it would cost as much as 15 cents a litre.

Who is right, the minister who says it is a cent a litre or the Liberal member who says it is 15 cents a litre? Which one should we believe?

Hon. Christine Stewart (Minister of the Environment, Lib.): Mr. Speaker, I was very pleased to have the opportunity Friday to announce new regulations for the reduction of sulphur in gasoline.

The decision was taken as a result of a study done by the federal government, provinces and territories working together with the oil refinery industries, the automobile manufacturers and other stakeholders. They all agreed that the cost would be \$1.8 billion to

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reduce it to the levels I have regulated. However, the costs of not acting are many times higher in terms of health.

This translates in terms of cost to the oil refiners of one cent per litre, according to the report of this committee.

Mr. Jason Kenney (Calgary Southeast, Ref.): Mr. Speaker, we can mark that down as another Liberal evasion to a straight question. Let me try again with this minister.

I asked her who was right, the member or she. Industry experts say it will be a lot more than a cent a litre but my question is we have a respected Liberal member here saying it will be 15 cents a litre, so who is right? Is the minister saying that Liberal member is wrong, yes or no?

Hon. Christine Stewart (Minister of the Environment, Lib.): Mr. Speaker, I have based my regulations on a study that, as I indicated, involved different levels of government, the oil producers, the refiners and the automobile manufacturers.

They presented a report which indicated very specifically what the costs would be. In fact, health people in this country indicate that the health costs of not acting are much higher than estimated in that report.

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EAST TIMOR

Mr. Svend J. Robinson (Burnaby—Douglas, NDP): Mr. Speaker, my question is for the Minister of Foreign Affairs. This morning the minister met with the Timorese leader and Nobel prize winner José Ramos-Horta who has urged our government to support the right of the people of East Timor to self-determination and an internationally supervised referendum.

Will the minister honour the promise his party made in 1991 or will he continue to attack the East Timor alert network, to apologize for Canadian protesters and to put embarrassment to Indonesian dictators ahead of the rights of the people of East Timor?

Will he now support East Timor's right to self-determination, yes or no?

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, I would like to report to the House that we had a very useful discussion with José Ramos-Horta this morning during which he expressed appreciation for the strong interest the Canadian government has taken in supporting initiatives in East Timor.

I indicated to him that we are strongly supportive of the UN sponsored process of negotiations going on. In fact, I met with Portuguese officials on the weekend to discuss this and we also indicated that we believe there has to be a full involvement of East Timorese people in whatever arrangements are made. To that end,

we have agreed to provide direct funding to a major meeting of the East Timor network dialogue group which brings together all parties to the dispute to find a resolution.

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• (1445)

TAXATION

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): Mr. Speaker, my question is for the Minister of Finance who will soon be known as the Grinch who stole Christmas.

Canadians last week were shocked to find that the government has now decided to tax fun by taxing things like Christmas parties. The cost of a Christmas party is now to be a taxable benefit.

Will the Minister of Finance simply stand and say, no, the government is not that badly off that it is going to start taxing fun, Christmas parties, Hallowe'en parties and the like?

Hon. Harbance Singh Dhaliwal (Minister of National Revenue, Lib.): Mr. Speaker, I want to thank the hon. member because sitting between the solicitor general and the human resources minister, I feel like the Maytag repairman.

Let me say that it is not true what the hon. member has said. In fact we only recognize a tax benefit if it is over \$100, any gifts over \$100. I do not know about the hon. member, but I do not get invited to many Christmas parties where the cost is more than \$100. Perhaps he gets invited to some rich parties. The limit is \$100. Only when it is over \$100 does it become taxable.

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[*Translation*]

THE CONSTITUTION

Mr. André Bachand (Richmond—Arthabaska, PC): Mr. Speaker, there is a desire for change, for renewed federalism, not only in Quebec but in all the rest of the country as well.

The only one who seems not to share that desire is the man who should spend less time patting himself on the back and more time doing his job, our famous Machiavelli of Canadian politics, the Prime Minister of Canada. Divide and conquer, that is what the government's constitutional strategy is, in a nutshell.

With all the statements the Prime Minister has made, does the Liberal government not realize he is giving the kiss of death to the leader of the federalist forces in Quebec?

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, I would be only too pleased at any time to compare on

Oral Questions

the record of the Mulroney years to this government's record on enhancing the federation.

The method the Prime Minister wanted to use is a step-by-step one, solving one aspect at a time, rather than coming up with a huge change all at one time. That does not work, and does nothing to promote the evolution of the federation.

I believe the Prime Minister's approach has worked well in recent years, and we will continue with it, advancing the federation in conjunction with the provinces, respecting their jurisdictions and priorities.

Mr. André Bachand (Richmond—Arthabaska, PC): Mr. Speaker, the Prime Minister considers himself the leader who has done the most for the constitution. The most, yes, but the most damage.

When it comes down to it, the best ally the Quebec sovereignists and Lucien Bouchard have in Quebec is the Prime Minister himself and his gang.

With the attitude the Prime Minister and his troops have toward constitutional matters, I have a suggestion to make: the true federalist forces in the country have a clear, cut and dried strategy to suggest to the Prime Minister, the Minister of Intergovernmental Affairs and the Liberal government. Shhh, keep absolutely quiet for the next 36 days. Not a word.

Some hon. members: Hear, hear.

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, the responsibility of the Government of Canada is to govern, and govern it does, for all Canadians, including Quebecers.

From what I can see, the Liberals do not seem to be the ones who are the allies of the Bloc Québécois. They are not the ones clapping at the moment.

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[English]

PENSIONS

Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.): Mr. Speaker, the well-being of nearly one and a half million Canadian pensioners depends on them applying every year for the guaranteed annual income. Since next year is the International Year of Older Persons, what can the Minister of Human Resources Development do to make it easier for Canadian pensioners to get the income support they need?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, as a matter of fact we are making major service improvements in 1999 to the renewal of guaranteed income supplement and spousal allowance benefits as

part of the International Year of Older Persons. These changes will permit over one million seniors to renew their benefits automatically. No more will pensioners have to rush to complete unnecessary paperwork or worry about having their payments interrupted. This is the best improvement to the GIS-SPA program in 31 years.

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[Translation]

THE CONSTITUTION

Mr. Rahim Jaffer (Edmonton—Strathcona, Ref.): Mr. Speaker, Canadians throughout the country have expressed a desire to see the federation run differently.

We had the Calgary declaration and the premiers' social union proposal, which even met with Lucien Bouchard's approval.

On the eve of the Quebec election, why is the Prime Minister refusing to recognize Canadians' desire for change?

• (1450)

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, the government wholeheartedly supports the Calgary declaration.

We are negotiating the social union with the provinces and I repeat that we will be more successful in our efforts to do so if we have a government in Quebec that believes in Canada, that wants to improve it, and that will share with other Canadians all the expertise, all the knowledge, all the culture of Quebec, which is a culture of trust, not the culture of mistrust the Bloc Québécois is trying to impose on us.

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YOUNG OFFENDERS ACT

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, there is another consensus in Quebec that the federal government is refusing to respect, and that is the consensus around young offenders.

The approach the Minister of Justice has taken in her bill is completely at odds with the current approach in Quebec.

How can the Prime Minister claim to have sorted out the issue of Quebec's distinct character when his justice minister is getting ready to impose Canada's young offenders model on Quebec?

[English]

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, in fact that which we are proposing, as opposed to being in contradiction to that which Quebec does, our strategy builds on much of that which the province of Quebec has pursued. Indeed, let me say the hallmark of the young offenders strategy is flexibility, because in this federation we as a federal government believe it is important to provide

the provinces with the opportunity to pursue their own individual agendas in key areas.

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JUSTICE

Mr. Peter Mancini (Sydney—Victoria, NDP): Mr. Speaker, the President of the United States has publicly decried the recent murder of an American doctor. He said that the United States will not tolerate violence directed at those providing legally protected medical services.

Our Prime Minister has said nothing. Three doctors providing legal abortions for women in Canada have been shot in the past four years. Why has the Prime Minister not spoken out?

Will the government announce additional support for the task force investigating the shooting?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member raises a very important and a very serious question.

The government is committed to working with law enforcement officials in the United States. In fact this morning I instructed my department to do whatever it can, including providing additional resources to work with officials in the United States to put a stop to this kind of horrendous violence.

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AGRICULTURE

Mr. Mark Muisse (West Nova, PC): Mr. Speaker, on Tuesday of last week members of the Nova Scotia legislature held a two hour emergency debate to discuss the serious plight of our farmers who for the second consecutive year have suffered enormous financial losses due to unusually dry conditions.

Considering the devastation farmers have experienced with their crops over the past two years, will the Minister of Agriculture and Agri-Food make a firm commitment here and now to provide our farmers with emergency relief?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, had the hon. member been listening, I just answered that question a few minutes ago. I said that I am calling the ministers of agriculture in Nova Scotia and across the country and farm leaders across the country to discuss that very issue on November 4.

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IMMIGRATION

Ms. Sophia Leung (Vancouver Kingsway, Lib.): Mr. Speaker, my question is for the Minister of Citizenship and Immigration.

Oral Questions

I understand that the minister sets immigration targets each year in order to meet the needs of the Canadian population. For 1998 why is the department not expected to meet the immigration targets?

Mr. Andrew Telegdi (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the projected number of immigrants each year is a planning target. These targets are established for the different categories. The department has been successful in meeting the targets for the refugee category and the family class category, satisfying our very important commitment to both humanitarian assistance and family reunification.

Unfortunately due to events beyond our control, notably the civil economic crisis in Asia, we are experiencing a decline in the skilled worker category. We expect to meet the target—

The Acting Speaker (Mr. McClelland): The hon. member for Medicine Hat.

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ABORIGINAL AFFAIRS

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, for five years the Reform Party has been asking questions about third world conditions on native reserves across this country. For five years we have had nothing but stonewalling from Indian affairs ministers across the way. They seem to be more interested in protecting entrenched interests than in really helping natives.

• (1455)

If the minister really cares about natives, why in the world will she not give us a forensic audit to ensure that money gets to natives on reserve?

Hon. Jane Stewart (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, it is just the opposite I am afraid. For the last five years all I have heard coming from the Reform Party are things like “Why do we not just get rid of section 35 in the Constitution. Why do we not cut \$900 million from the department of Indian affairs for the provision of services and programs for aboriginal people. Why do we not just pay aboriginal people a lump sum of money and tell them to go and build their schools and roads”. I do not hear those questions coming from the hon. member at all.

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[Translation]

THE CONSTITUTION

Mr. Daniel Turp (Beauharnois—Salaberry, BQ): Mr. Speaker, my question is for the Minister of Foreign Affairs. The Prime Minister claims that everything is settled. Yet, nothing is settled regarding Quebec's role on the international scene.

Oral Questions

If everything is settled, how does the minister explain that, at international meetings on culture, the Quebec Minister of Culture is left behind and it is the Minister of Canadian Heritage who speaks on behalf of Anne Hébert, Gilles Vigneault and Robert Lepage, and who defends Quebec's culture, which the Prime Minister of Canada said did not exist?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, we form such a partnership that, next week, a meeting will be held in Mont-Tremblant to deal with cultural issues, and I personally invited Mrs. Beaudoin to take part in it.

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[English]

HEALTH

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, private health care is a booming business in Canada. In this region alone, private health care businesses are on the rise for the second year in a row. This rise in private health care is a sure sign that this government's deep cuts to transfer payments for health care are creating two systems of health care in Canada, one for the wealthy and one for everyone else.

Will the health minister admit that health care cuts are leading us down the road to two tier American style health care?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, over a year ago this government announced that the era of cuts to health care was over. Last year one of the first things we did as we emerged from the deficit of the past was to reinvest in health care by restoring \$1.5 billion to the transfer payments. The commitment of this government to the public single funder system of health care is unequivocal. That is why the Prime Minister has said clearly that health will be the subject of our next major reinvestment, and it will be.

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HIGHWAYS

Mr. Mark Muisse (West Nova, PC): Mr. Speaker, the only unfinished stretch of Highway 101 in Nova Scotia is located in my riding between Digby and Weymouth. A heavy increase in commercial traffic has local residents fearing for their own safety and that of their children who must travel these dangerous roads by school bus every day.

Can the Minister of Transport tell this House whether he and his provincial counterparts have entered into any negotiations on a cost sharing agreement to complete this unfinished section of highway? If so, when can we anticipate the completion of these negotiations?

Mr. Stan Dromisky (Parliamentary Secretary to Minister of Transport, Lib.): Mr. Speaker, the Department of Transport has done everything in its power to provide a safe, efficient and sustainable transportation system. In this situation the provincial

ministry is responsible for a great number of the concerns. However, we will not renege on our responsibility to continue to provide Canadians with one of the safest transportation systems in the world.

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[Translation]

BILL C-44

Mrs. Pierrette Venne (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, the President of the Treasury Board told the House, in reference to Bill C-44, that the administrators of cultural organizations are appointed at the government's pleasure.

Does the minister mean that public organizations will be under the government's direction, under the yoke of the party in office and, ultimately, under the authority of a temperamental minister?

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the CBC's independence is clearly guaranteed under section 46(5) of the Broadcasting Act, which reads: "The Corporation shall, in the pursuit of its objects and in the exercise of its powers, enjoy freedom of expression and journalistic, creative and programming independence".

• (1500)

I think the government clearly indicated its desire to see the CBC enjoy total cultural freedom.

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[English]

TAXATION

Mr. Randy White (Langley—Abbotsford, Ref.): Mr. Speaker, I notice the Minister of National Revenue is to tax Canadians who will be attending Christmas parties.

I have the Liberal caucus budget. It suggests that it is to spend \$86,700, not including donations and gifts, at a Christmas party. I wonder if these Liberal MPs will be taxed or report that as a taxable income.

The Acting Speaker (Mr. McClelland): As was quite rightly pointed out to me, that does not fall within the administrative responsibility of government. It is a caucus responsibility.

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CANADIAN COAST GUARD

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, last Tuesday in the Standing Committee of Fisheries and Oceans, Mr. Turner, acting director for the coast guard, indicated that in no way would there be \$55 million worth of cuts to the coast guards.

In Saturday's *Daily News*, Neil Bellefontaine, regional director for Atlantic Canada, said that they were close to reaching their goal of \$45 million in cuts. Commander Turner also indicated that close to \$200 million had been diverted from the coast guard into DFO. What a wasteful move that was.

My question is for the Minister of Fisheries and Oceans. Are you or are you not going to privatize the coast guard in the very near future?

The Acting Speaker (Mr. McClelland): Before the minister responds, I would remind all members to address each other through the Chair.

Hon. David Anderson (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, the question of the hon. member is whether we intend to privatize the coast guard.

I can assure him that is not the intention of the government. I can also assure him that we have made certain reductions in expenditures which are necessary.

Nevertheless we have put safety, in particular search and rescue, first. We will not have any reduction of safety levels because we regard that as our most critical role.

ROUTINE PROCEEDINGS

• (1505)

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 19 petitions.

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INTERPARLIAMENTARY DELEGATIONS

Mrs. Yolande Thibeault (Saint-Lambert, Lib.): Mr. Speaker, Mr. Speaker, I have the honour to present, in both official languages, the report of a Canadian parliamentary delegation that travelled to Cameroon last June.

This is a particularly opportune moment, moreover, because we have the honour of receiving parliamentarians from Cameroon this week.

[*English*]

Mr. John Maloney (Erie—Lincoln, Lib.): Mr. Speaker, pursuant to Standing Order 34, I have the pleasure of presenting, in both official languages, three reports of the Canada-Japan Interparliamentary Group, namely the report of the third annual visit to Japan to meet with Diet members, business persons, community

leaders and academics. The visit was held in Tokyo, Tohoku and Hokkaido from May 22 to June 2, 1998.

Second is the report of the ninth annual meeting between the Canada-Japan Interparliamentary Group and the Japan-Canada Parliamentary Friendship League held in Banff, Calgary, Edmonton and Fort McMurray from August 21 to August 28, 1998.

Third is the report of the executive committee meeting of the Asia-Pacific Parliamentary Forum held in Lima, Peru, from September 6 to September 8, 1998.

Interparliamentary associations provide forums at which parliamentarians are ambassadors for their countries. Members of the Canada-Japan Interparliamentary Group have been able to address and promote issues such as the anti-personnel landmines convention, cultural exchanges and trade matters.

[*Translation*]

We wish to thank all those who supported us in our work.

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[*English*]

CRIMINAL CODE

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.) moved for leave to introduce Bill C-448, an act to amend the Criminal Code (consecutive sentences).

He said: Mr. Speaker, I am most pleased to introduce this private member's bill today to the House of Commons. I do it because Canadians have been crying out for some serious changes to our justice system. One of the areas that they demand to be changed is the area that deals with sentencing, in particular concurrent sentencing.

This enactment would require that a court, when sentencing an offender for the commission of any certain or specific violent offences against a person, shall direct that the sentence of imprisonment imposed be served consecutively to any sentence for another such offence.

I am pleased to introduce the bill today. I am certain that members of the House will realize the importance of getting this change done.

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

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PETITIONS

RIGHTS OF GRANDPARENTS

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, I have a petition signed by many constituents in Ontario who are requesting that parliament amend the Divorce Act to include a provision, as supported in Bill C-340, regarding the right of a spouse's parent, the grandparent, to have access to or custody of the children or the child.

Routine Proceedings

MARRIAGE

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I have the honour to present three petitions today.

Whereas the majority of Canadians understand the concept of marriage as only the voluntary union of a single unmarried male and a single unmarried female and whereas it is the duty of parliament to ensure that marriage as it has always been known and understood in Canada be preserved and protected, the petitioners pray that parliament enact legislation such as Bill C-225 so as to define in statute that a marriage can only be entered into between a single male and a single female.

• (1510)

These three petitions are signed by many people in my constituency in and around St. Albert, Edmonton, and other areas.

[*Translation*]

BILL C-304

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, the signatories of the petition I am tabling today are calling upon parliament to support Private Member's Bill C-304, which would strengthen the protection in the Canadian Bills of Rights for property rights.

[*English*]

FOOD AND DRUG ACT

Mr. Svend J. Robinson (Burnaby—Douglas, NDP): Mr. Speaker, I have the honour to present a petition which is signed by hundreds of residents of the constituency I have the honour of representing, Burnaby—Douglas. It notes that freedom of choice in health care is becoming increasingly curtailed and further threatened by legislation and statutory regulations of the Government of Canada.

The petitioners urge that Canada's Food and Drug Act be revised in a number of ways, including that the definition of food include dietary supplements and food for special health uses, and that the definition of drug be amended to read that drug includes any substance other than food. They go on with a number of other proposed changes to the Food and Drug Act.

Finally, they urge that only foods the Government of Canada may restrict from a market are those that are proven unsafe or fraudulently promoted and that in all cases the burden of proof shall be on the Government of Canada to establish that such foods are either unsafe or fraudulently promoted.

HUMAN RIGHTS

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I have two petitions to present today. The first deals with human rights.

In this year marking the 50th anniversary of the Universal Declaration of Human Rights the petitioners would like to draw to the attention of the House that Canada is an internationally recognized leader of promoting human rights around the world.

Whereas human rights abuses tragically continue in many countries around the world, including countries such as Indonesia, the petitioners call upon Canada to appeal for action by leaders of countries where human rights are not being protected and to seek to bring to justice those responsible for the violation of internationally recognized universal human rights.

PUBLIC SAFETY OFFICERS

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the second petition concerns police officers and firefighters.

The petitioners draw to the attention of the House that our police officers and firefighters are required to place their lives at risk on a daily basis as they discharge their duties and that when one of them loses their life in the line of duty often the employment benefits are not sufficient to take care of their surviving families. Further, the public mourns the loss of police officers and firefighters killed in the line of duty and wish to support those families in a tangible way in their time of need.

The petitioners call upon parliament to establish a public safety officers compensation fund for the benefit of families of public safety officers who are killed in the line of duty.

The Acting Speaker (Mr. McClelland): We have quite a number of petitions so I would ask hon. members to keep their prefaces brief.

MARRIAGE

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, on behalf of 32 constituents of Pictou—Antigonish—Guysborough and pursuant to Standing Order 36 I would table a petition urging parliament to enact Bill C-225, an act to amend the Marriage Act, which was introduced by a Liberal member very recently.

[*Translation*]

ABOLITION OF SENATE

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Mr. Speaker, I am pleased to table a petition organized by Albini Lafontaine in Frontenac, which is in my riding.

This petition calls for abolition of the Senate. This would mean an annual saving of \$50 million, as well as making the operations of parliament more democratic, and more efficient as well.

Routine Proceedings

[English]

MARRIAGE

Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.): Mr. Speaker, I am pleased to present two petitions today on behalf of the constituents of Saskatoon—Humboldt.

The first petition is from residents who want to ensure that marriage, as it has always been known and understood in Canada, is preserved and protected. The petitioners pray that parliament enact Bill C-225 so as to define in statute that a marriage can only be entered into between a single male and a single female.

CRIMINAL CODE

Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.): Mr. Speaker, the second petition draws the attention of the House to section 43 of the Criminal Code that recognizes the primary role of parents in the raising and disciplining their children.

The petitioners request parliament to affirm the duty of parents to responsibly raise their children according to their own conscience and beliefs and to retain section 43 of Canada's Criminal Code as it is currently worded.

MULTILATERAL AGREEMENT ON INVESTMENT

Mr. John Solomon (Regina—Lumsden—Lake Centre, NDP): Mr. Speaker, it is my pleasure to present a petition in the House of Commons today on behalf of many of my constituents who do not believe Don Johnston at the OECD with respect to the MAI. They are very concerned that the MAI might likely still proceed and it would have a very negative impact on Canadian life, including environmental protection, employment, wage levels, health care and other programs.

- (1515)

The petitioners are asking the House of Commons that when Don Johnston and the government decide to proceed with the MAI that they have public hearings to express the concerns of all Canadians.

RIGHTS OF GRANDPARENTS

Mr. Murray Calder (Dufferin—Peel—Wellington—Grey, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have a petition that states that the relationship between grandparents and grandchildren is a natural and fundamental one and the denial of access can constitute abuse and can have a serious and detrimental emotional impact on both the grandparents and the grandchildren.

GASOLINE

Mrs. Rose-Marie Ur (Lambton—Kent—Middlesex, Lib.): Mr. Speaker, pursuant to Standing Order 36, I am honoured to present a petition signed by the residents of Waterloo, St. Thomas and London who note that the use of MMT in gasoline has proven

to foul emission control devices and adversely affect engine performances, resulting in higher smog levels.

The petitioners call on parliament to set new national clean fuel standards for gasoline with zero MMT and lower sulphur content.

MULTILATERAL AGREEMENT ON INVESTMENT

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): Mr. Speaker, it is my honour to present a petition pursuant to Standing Order 36 signed by thousands of my constituents. They are concerned about the MAI and are not convinced that the government is going to back off on this. It may have been sort of curtailed for the moment but they want to make it perfectly clear that they have 101 reasons for opposing the MAI, which I will not read.

CANADA PENSION PLAN

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): I present a second petition, Mr. Speaker, on behalf of a number of small business operators in central British Columbia who are concerned about the massive increases in CPP premiums. They support the principle of CPP but they want the government to acknowledge that this will create serious hardship in terms of one more type of payroll tax.

CRUELTY TO ANIMALS

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): I have a third petition, Mr. Speaker, on a totally different topic. These petitioners from Kamloops are concerned about the lack of serious consideration for people who hurt animals. They want judges to give more serious sentences to people who harm animals.

EUTHANASIA

Mr. Janko Perić (Cambridge, Lib.): Mr. Speaker, I have three petitions. In the first, over 50 petitioners wish to draw to the attention of the House their concerns for the sanctity of life. The petitioners pray and request that parliament retain the current provisions of the Criminal Code prohibiting assisted suicide and that parliament not sanction the aiding of assisted suicide or euthanasia.

MULTILATERAL AGREEMENT ON INVESTMENT

Mr. Janko Perić (Cambridge, Lib.): In the second petition, Mr. Speaker, some 40 constituents draw attention to their concerns about the impact of the multilateral agreement on investment.

MARRIAGE

Mr. Janko Perić (Cambridge, Lib.): The last petition, Mr. Speaker, is signed by some 300 residents of my riding of Cambridge who wish to draw to the attention of the House that the majority of Canadians understand a marriage to be the union of a single unmarried male and a single unmarried female.

Supply

The petitioners pray and request that parliament enact Bill C-225 so as to entrench this definition and understanding in statute and preserve and protect the institution of marriage in the way it has always been known.

GASOLINE

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, I have pursuant to Standing Order 36 a petition signed by a good number of constituents from the riding of Huron—Bruce. These petitioners share the concern that the additive MMT in Canadian gasoline presents an environmental problem affecting every man, woman and child in Canada. They also call on parliament to set by the end of this calendar year national clean fuel standards for gasoline with zero MMT and low sulphur content.

MULTILATERAL AGREEMENT ON INVESTMENT

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I join many of my colleagues and submit a petition presented by a number of residents from British Columbia who are very concerned that the MAI is not completely dead. These petitioners would like to drive a stake through its heart to try to make sure it actually stays dead because they point out what sheer folly it would be to enter into any kind of liberalized trade agreement that would bind us for 20 years and have such obviously detrimental effects.

• (1520)

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, along with my NDP colleagues, pursuant to Standing Order 36, I wish to present a petition on the MAI. They do not believe for one second that this current Liberal government has any intentions, as my colleague from Winnipeg Centre said, to drive a stake through its heart.

I would also like to advise the Liberal government that—

The Acting Speaker (Mr. McClelland): Order, please. We are presenting petitions. We are not in debate. Just read a summary of the petition and we will get through the day.

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[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I move that all questions stand.

[*English*]

Mr. Svend J. Robinson (Burnaby—Douglas, NDP): Mr. Speaker, I have a point of order. I would ask the indulgence of the parliamentary secretary if he could look into the status of question No. 32 which was tabled almost a year ago, October 28 of last year.

It was a detailed question concerning expenditure around the then upcoming APEC summit.

We have been waiting for almost a year for an answer. I would ask the parliamentary secretary if he would look into that and come back with an explanation for the delay.

Mr. Peter Adams: Mr. Speaker, it does take longer with some questions compared with others but I certainly will look into this question.

The Acting Speaker (Mr. McClelland): Is it agreed that the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY—EMPLOYMENT INSURANCE

The House resumed consideration of the motion; and of the amendment.

Mr. Bob Kilger (Stormont—Dundas, Lib.): Mr. Speaker, I rise on a point of order. There have been discussions among the parties and I think you would find unanimous consent for the following motion. I move:

That at the conclusion of the present debate on today's opposition motion, all questions necessary to dispose of this motion be deemed put, a recorded division deemed requested and deferred until Tuesday, October 27, 1998, at the expiry of the time provided for Government Orders.

(Motion agreed to)

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, before Oral Question Period, the member for Chicoutimi presented quite clearly the need for the government to extend the small weeks program, if only out of a sense of fairness, compassion and responsibility toward people with less income.

I would nevertheless like to ask the member a question. He knows that we support the Conservative Party motion. With this small weeks pilot project, we have realized that many regions in Quebec and Canada are not currently covered by the plan and should be.

The problem does not necessarily lie just in the high unemployment regions. In low unemployment regions as well, people not covered by the plan are currently living with the effects of not having the small weeks plan.

This may be the best example of the need to extend the plan in regions of high unemployment. Would it not be a good thing if we were, on reflection, to consider extending the plan to all regions of Canada?

• (1525)

Mr. André Harvey: Mr. Speaker, I would like to acknowledge the very efficient work done by our colleague from Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques on related issues. Any issue touched on by Human Resources Development Canada is a social issue.

For the time being, it is extremely important that the small weeks program be extended, as this extension is anxiously awaited by some people. As part of a more comprehensive reform, looking into everything that concerns the absolutely disproportionate surpluses in the EI fund, perhaps extending this program should be considered, if only to show a little more sensitivity.

I read an article, dated September 23, in which Michel Vastel said “Elected representatives show an increasingly appalling insensitivity to the demands of ordinary citizens”. I agree with our colleague’s comments. There is an extraordinary difference between what he said and the remarks made by the Reform Party member, who considered this measure to be completely superficial and unproductive, while knowing full well that some families could use a few dozen dollars more to have decent living conditions, not perfect ones, just enough to live at subsistence level.

It is extremely important to act quickly on extending this program and to do so as part of a comprehensive reform.

[English]

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, with the drastic changes of EI over the last five years, would the member not agree this is just an insidious example of this Liberal government’s downsizing its responsibility on to the backs of the provinces?

An example of that is that as of September 1, after the TAGS program, close to 9,000 people in Atlantic Canada and Quebec had to apply for social welfare because the EI premiums were either very insignificant or none at all.

[Translation]

Mr. André Harvey: Madam Speaker, our number one goal in this country should be to eliminate poverty, a situation for which the federal government is responsible. This same government enjoys a \$20 billion EI surplus that is the result of measures that, as I said earlier, were taken by the previous government, measures like the GST, free trade and tax reform.

Supply

The federal government should take corrective measures to fight poverty. Instead of apologizing, we must put more pressure on the government to inject additional funds into everything that impacts on poverty, including health care, social programs and, of course, employment insurance.

[English]

Mr. Wayne Easter (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I am pleased to speak to the motion by the member for Madawaska—Restigouche.

Previously the minister said: “In light of the fact that we do not have all the information required, I am afraid we cannot support the member’s motion even though we recognize his good intentions”.

Recognizing his good intentions might be stretching it a little. We are certainly all concerned and want the pilot programs continued in one fashion or another.

I believe there is more than meets the eye here in terms of the intentions of the member for Madawaska—Restigouche when putting forward this motion.

I am pleased that the member does recognize the value of the important changes this government has made in terms of the previous unemployment insurance legislation, in particular as related to what was called the short week issue.

I also point out a little recognition. This really happened under the guidance and the hard work of the member for Kenora—Rainy River in his previous capacity as parliamentary secretary.

We saw that there was a problem in terms of short weeks. We brought it forward and he, along with a number of us, developed the process to fix that short week problem. We acted on it and we have had the pilot program in place for almost two years as evidence of where to go from here.

• (1530)

Some of the earlier speeches concern me. The acting leader of the fifth party said “There has to be compassion” and tried to leave the impression that the EI changes brought about by this government lacked compassion. The hon. member is flatly wrong. In fact this motion highlights one of the better examples of how we have been flexible and innovative in reforming the old UI system.

It would be useful to examine how the small weeks became an issue in the first place.

Under the old system of UI weekly benefits depended on earnings in the most recent 12 to 20 insurable week periods; that is, the weeks with more than 15 hours or \$150 in earnings. That was over the last year or 52 weeks. Depending on the work patterns under the old UI system an individual’s benefit could equal up to 146% of insured earnings from work.

Supply

The intent of the original new EI legislation was to base benefits on earnings from work within a continuous period. This design ensured that benefit levels were more reflective of the normal flow of earnings from employment and there was incentive to work even small weeks as every hour at work would count toward eligibility, duration and benefit level. It was, however, seen as harshly impacting on individuals with gaps in their employment.

One of the most illustrative examples of this happens on a potato farm where an individual works in the spring for an extended period of time, with long hours, for about six weeks. They have a fairly slack period during the summer months and then again have heavy employment in the fall during harvest.

What clearly was happening was that an individual would be called back for a half day to grade potatoes for four hours. As a result of coming back for those four hours of work, the gap created a short week, which created a very serious reduction in the individual's benefit level. Certainly the individuals did not want to go to work with this serious impact. The employers found themselves with the problem of getting workers to come in for the very short period of time. That was not the intention of the EI act. The intention was that every hour would count.

As a result of the earlier gap issue, the legislation was amended to enable individuals to ignore up to 12 weeks of no earnings within a 26 week period when calculating their benefit levels. However, that improvement, ignoring weeks of no earnings, resulted in a disincentive to accept a small week. That is, in some instances it was better to have a week of no earnings versus a small week with low earnings because it would have an impact on future benefit returns. If a week with low earnings was included in earnings, the individual's average earnings and thus benefit level would fall and that worked against our stated purpose in terms of the employment insurance legislation of having every hour count. Therefore, fixing the gaps issue created the small weeks issue which we then brought in the fix for.

• (1535)

I am very pleased with the way we on this side of the House responded. When the problem came to light, the Minister of Human Resources Development asked a group of Atlantic MPs, of which I happen to be one, to talk to Canadians and to find solutions. We decided to pilot test a system whereby small weeks could be bundled together or where they could be excluded in the calculation of average weekly earnings in the determination of the EI benefit.

So far the results have been encouraging. About 130,000 claimants have benefited from these pilot programs, including a high proportion of women. Together their benefits have increased by about \$19 per week.

These projects are well received and effective. However, they are slated to expire next month, which brings us to the following questions. Do we extend the pilot projects? If so, which project? Do we extend the exclusion pilot which is in place in western Canada or do we extend the bundling project which is in place in eastern Canada? The bottom line in both pilot projects is the same. The benefit levels for EI participants are the same under both projects. I can see how someone would want to make sure the program continues, especially when that program is delivering and being helpful, as has already been proven.

We need to wait for the facts. Once we have all the facts and we have sifted through the evidence we will all be in a better position to say whether or not these pilot projects have accomplished what they were intended to accomplish in the beginning.

That is why I come back to the question of whether there are so-called good intentions on the other side in terms of proposing this motion today. From my position I say that this program is needed and it needs to be continued. However, today may not be the day to make that decision. There were a lot of changes in terms of the EI legislation. There are other areas where there has been injury and there are other areas where there has been improvement. We need to monitor all of those aspects. We cannot just come to a quick, hasty fix. We have seen the kinds of Tory fixes in the past under the old UI legislation. When we came in we had to reconfigure, change and improve upon those quick fixes.

We need to take some time. We need to be very careful and cautious. We need to make sure the evidence is there in terms of what needs to be done, in terms of which program should be kept, how it should be done, and in terms of what other measures we should improve before we get into opening up the Employment Insurance Act.

[*Translation*]

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Madam Speaker, I had the pleasure of visiting the riding of the member for Malpeque, who is also Parliamentary Secretary to the Minister of Fisheries and Oceans. His riding is similar to mine in many respects, with a rather high unemployment rate.

I would like to have his comments as the representative of the Minister of Human Resources Development. A former BC Mine worker from my riding came to see me. During the period when he received EI benefits, he worked as a pallbearer at the funeral home, earning \$22 each time. So he had 10 small weeks with \$22 in income, one with \$44 in income since he did it twice that week, and another with \$66 in income since he did it three times that week. When he applied for EI benefits for the second time, the department took the last 26 weeks with earnings, which meant 12 small weeks and 14 weeks when he was working as a miner.

• (1540)

Louis-Philippe Roy, from Black Lake, earned \$375 as a pallbearer, and his EI benefits were cut by \$1,734. He lost \$102 a week. Therefore, because this unemployed miner earned \$375, he lost \$1,359.

That means that Louis-Philippe Roy contributed, involuntarily of course, \$1,359 to the \$20 billion in accumulated surplus.

Because the unemployment rate exceeds 10% in the riding of my distinguished colleague from Malpeque, small weeks can be adjusted into one single week, but this cannot be done in Thetford or in Black Lake because these communities are part of the greater Chaudière-Appalaches region, which includes the Beauce region where the unemployment rate is very low.

I just wanted to draw to the attention of the House the flagrant injustice of which Louis-Philippe Roy was a victim.

[English]

Mr. Wayne Easter: Madam Speaker, I appreciate the question of the hon. member for Frontenac—Mégantic. However, I cannot on the floor of the House of Commons get into the specifics of an individual's case.

His point illustrates why we need to take a little more time to look at this. I think what he is suggesting is that the small weeks pilot applies to only 29 of the HRD regions for employment insurance. The area he is talking about may be an area where the small weeks pilot does not apply. If that is the case, then that is evidence to show how useful the small weeks pilot is.

I suggest to the member that he bring the specifics of that case to the Parliamentary Secretary for Human Resources Development. Then we could look at it and use it as evidence in terms of this monitoring.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Madam Speaker, I have the highest regard for the Parliamentary Secretary for Fisheries and Oceans who comes from the beautiful riding of Malpeque.

However, one of his comments greatly disturbs me. Earlier today I presented to him an EI statement from somebody in Nova Scotia who got \$25 a week EI, and if a person was married with children they got \$31 a week.

I would like him to respond to the interim leader of the Progressive Conservative Party who indicated that we must have compassion in our rules and changes. Where is the compassion when somebody who has worked most of their life gets \$25 a week or \$31 a week? Where is the compassion from the government there?

Supply

Mr. Wayne Easter: Madam Speaker, again we are dealing with a specific case and we do not know all of the details.

Did this individual and his family only manage to get two weeks of work last year? Is the result that the divisor was 12 or 14? Is that the reason the employment insurance is so low? I do not know because I do not have the full details of the case.

I can tell him that we are working in other areas. The minister spoke very eloquently in his speeches about some of the other programs that we are working on. It is not just an employment insurance pilot project situation that we are dealing with, it is the total situation in terms of job employment measures and labour market training. Those areas we have to grapple with as well. We on this side of the House will improve those areas so that these individuals will not find themselves in this kind of situation.

Mr. Alex Shepherd (Durham, Lib.): Madam Speaker, the hon. member for Malpeque gave us a great cross-section of the small weeks problem and how we are trying to resolve it.

During an earlier interchange the member for Saint John said that some people in the House need a history lesson with regard to their attitudes toward Atlantic Canada. She was responding to a question of mine. I was basically asking why the premier of Ontario was questioning whether that province should continue utilizing the employment insurance system to the extent that it does. He has often pointed out that Ontario, cash flow wise, is a net loser through the employment insurance system. It is certainly not the feeling of the government or Liberal members, but it certainly was seemingly odd that the leader of the Progressive Conservative Party here was taking major exception to the premier of Ontario whose very view that is.

• (1545)

Most of us understand the importance of underpinning our economy wherever it is, whether it is in Oshawa, Durham, the maritimes, Sydney and so forth. These are very important aspects. I was interested, because I thought the history lesson should be directed at Mike Harris.

The motion before us today says "in order to make adjustment projects a permanent feature of the Employment Insurance Act". These pilot projects which are under way are to address the issue of small weeks. Most of us can see it is some kind of idiosyncrasy of the legislation that was written. This happens in many things. I worked on another issue, the Canada-U.S. tax treaty. It is amazing how many times things are written down with good intentions and when they actually get out in the public domain, they seem to have some unintended results.

This appears to be one of those very areas where it is possible that we discourage people from seeking employment because they have less than full weeks of employment. The result is that it reduces the average. Therefore in small ways they are better off not working at all than working.

Supply

I am sure the intention of the EI reforms was to make it a major incentive to gain that extra hour of employment. That is what the average Canadian would like to do. Rather than sit at home, he or she would like to be employed even if it is only part time, which is a positive thing.

The government is trying to deal with this issue. However the order today simply talks about extending it, enshrining it. I am concerned about that because here in Ottawa we do not do enough program evaluation and accountability. These two projects, while they are coming to fruition and cycling out of the system, if you will, up until November 15, it is clear we have not had the time to sit down and actually evaluate what impacts those two solutions to the problem are having.

A theory among columnists and maybe even social engineers is that people are totally conscious about how government programs affect them economically and therefore they will always react in their best economic interests. There is some concern that in fact that does not actually happen and it is really the intention of the government to ensure that those people continue to have the incentive to work.

As well intentioned as the motion by the member for Madawaska—Restigouche may be, I believe it is premature. We have not had the time to evaluate that program. We have to go through that process before we consider any concept of extending it indefinitely.

Part of the EI reforms tried to encourage the productivity of the Canadian labour force. This is something that is hard for people to measure. Canada's productivity vis-à-vis many of our trading partners is significantly lower. Some blame the unemployment insurance system; some blame other processes and some of our cultural differences.

The reality is that Canada's productivity has been increasing since this act has been changed. It is on that issue which I think it is very important that we get it right and in such a way that we do the evaluation and our homework and we ensure that we continue to be on the right course.

Obviously the minister has realized there is a problem. It is an unintended one. Obviously we do not want people to sit at home rather than work. Clearly there are some objectives we are trying to seek.

• (1550)

Some people look at the value of our dollar. Sometimes the value of our dollar is underpinned somewhat with the labour productivity factor. If our labour productivity factor does not improve, the Canadian dollar will continue to go down. This is the way international currency equates productivity. If we are less productive, it means that the value of our dollar is less vis-à-vis other currencies where the labour factors are more productive.

It is to that issue I think these reforms are attempting to address themselves. It is why we have to make sure we get them right.

Within that legislation were a number of ingenious concepts. One was the new hires program which the minister mentioned this morning in his lead off debate. My riding of Durham has a tremendous impact from the automotive sector and others. That program has been a great incentive for young people to get work experience because the first year of the employment insurance premiums are negated. We talk about the great surplus and so forth but right there are some people who are not paying into the premium system and it is a major bonus. By the way, it is small business week and we should be talking about that too. It is a great incentive for our small business community but it is also a great incentive for those young people to get some work experience.

We also do the same thing in our summer youth employment program. That is something which is taken advantage of by the young people in my riding to get that little bit of work experience so that they can access the labour market. I am sure most people in Durham and the rest of Canada want to work. They want to find the up ramp to the workforce.

The small weeks provision attempts to address the issue. The realization is that, although we are not sure, it may cause a disincentive for people to seek some employment rather than none at all.

Some of the members, especially in the NDP, have raised the concern about the deviation between unemployment insurance reductions and tax cuts and why somehow these reductions should go back to the people who actually put the money into the system.

Invariably tax cuts are assumed somehow to be benefits for the wealthy. The reality is that our country has a problem, which has been raised by other members, called bracket creep. In fact, the people being hit by an inflationary spiral are in the lower and middle income brackets, the workers.

It should be a policy of this government to take some of that surplus and direct it to people who make \$20,000 or \$40,000 worth of income. I am talking about the working poor. Some of these people hit marginal rates of tax in excess of 50% or 60% by moving from \$18,000 to \$20,000 worth of income. What does that do? It creates a barrier. People cannot get out of poverty. They cannot get out of that cycle of low income.

Why would it not be a great thing to shift that surplus from corporations to some extent to assist those people by giving them back the indexing of the income tax system. It would help them increase their disposable income. That is a lot more beneficial than some of the programs we talk about simply giving it back to the corporations which paid 60% of the employment insurance premiums in the first place.

Supply

In conclusion, as well intended as it may be, I believe this motion is premature. The motion should be rejected because we need to do our homework before making any decisions.

Mr. Greg Thompson (New Brunswick Southwest, PC): Madam Speaker, I was listening with great attention to the member for Durham. I have a clarification on a reference he made to the member for Saint John. I know there were little questions and responses between the two of them earlier in the day. I think I know what the member for Saint John was talking about in reference to Ontario and the premier of Ontario.

• (1555)

I think the premier of Ontario is rightly upset because Ontario's economy is very robust and we do not question that. I understand that the member comes from an area where the economy is going along very nicely, thank you very much.

The premier of Ontario was concerned that not very many people in Ontario collect unemployment insurance in relation to the rest of the country. Ontario constitutes about 40% of the Canadian economy. It is the lowest area in the country for benefits in terms of unemployed workers receiving benefits. The premier has a right to be concerned about that as they are paying in but not reaping the rewards. It is not that they want to because obviously it is better to have people working than not working.

The statistics speak for themselves. I will quote statistics released by the Department of Human Resources Development about a week ago. The statistics will bear this out.

In Ontario fewer than 30% of the unemployed get unemployment insurance, the lowest rate in the country. In comparing the 10 provinces and 50 U.S. states, Ontario is between Montana and Missouri and just below the average for the United States as a whole.

That is part of the point the member for Saint John was making and probably the member for Durham as well. What we are looking at and the premier is saying is let us look at what we are doing with the surplus because the surplus does not exist. Premier Harris is saying "You are taking more out of my workers and my employers than you have to". The federal government is applying that surplus in the EI account against general revenues. It simply disappears. There is no account.

In terms of the EI surplus I would like to hear what the member for Durham has to say.

Mr. Alex Shepherd: Madam Speaker, you cannot suck and blow at the same time.

The reality is that within the province of Ontario we have the same kinds of things. There are certain areas in the province where there is high unemployment and there are net beneficiaries of the unemployment system. In other areas, for instance in my own

riding, General Motors says that it puts in a buck and gets 60 cents back.

The point of the matter is that as a country we are bigger than the province of Ontario. The Progressive Conservative premier in the province of Ontario is clearly saying that we should amend the unemployment insurance system so we do not share that money with Atlantic Canada. So the coffee is cooking. Realize that for what he is saying. The Progressive Conservative leader in the province of Ontario is saying to hell with you guys. It is not something we believe in. We believe this is a bigger country than the province of Ontario but that is not the viewpoint of the premier of Ontario.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Madam Speaker, I will be splitting my time with the member for Calgary Centre.

I am pleased to speak to the supply day motion put forward by the fifth party in the House.

Many of the members preceding me have gone through the details of the program. I would like to talk to a few points which cause our party some concern. The first concern is that this program which is due to expire on November 15 of this year still is without any type of evaluation. While the supply day motion may have some merit, I think it is quite premature.

The Liberal member opposite talked about accountability. I know members of the government tend to choke on that word but we will accept the fact that the member was sincere in his comments. The SW program is probably one of those programs that should be evaluated before we decide to make it a permanent fixture.

• (1600)

The House would have been well served if the fifth party would have put forward a motion that tried to cure the illness rather than simply provide some medicine to look after the symptoms. We should be demanding from the government that it create an environment in Atlantic Canada where people can actually go to work.

The EI programs are fine and the benefits are fine for those who are temporarily out of work, but must we always be focusing on benefit programs? I believe the motion focuses on the wrong subject. We should be talking about what it takes to create jobs. That should be what the government and all of us in the House are paying attention to and not benefits. Let us get these people back to work again.

While we are talking about Atlantic Canada let us talk about the failure of the government, the Tory government before it and the Liberal government before that, and how they sold out the interests of the Atlantic Canada fishermen. Some years ago someone on this side of the House decided it would be a good idea to allow foreign boats to fish the waters off Atlantic Canada and reap the harvests. There was a bountiful harvest back then sometimes. They thought

Supply

it would be a good idea to trade the interests of the Atlantic fishermen and Atlantic Canada in order for the provinces of Ontario and Quebec to sell manufactured goods in return to those European countries.

Someone got shafted in that deal, and who was it? It was the Atlantic provinces and the maritimes. To boost the interests of Ontario and Quebec those governments simply sold Atlantic Canada down the tube by allowing this massive overfishing by foreign interests in order that they could sell manufactured goods from Ontario and Quebec in Europe.

That was a tragedy. The results of that tragedy, of that insane decision, are still going on today. That is why we are talking about how we provide benefits for Atlantic Canadians who have no jobs.

The focus of the government should be jobs, jobs, jobs. Jobs are created by allowing the private sector to operate in an environment that is conducive to establishing a buoyant economy. They should be provided with low tax levels. There should be incentives for investors and business people to start new businesses and to expand their existing businesses. There should be some tax relief for employees of those companies from the massive burden heaped upon them by these governments. That would put more money in the hands of consumers which would allow them to spend the money within the economy and as a consumer driven economy it would grow.

The focus is wrong here. We should be talking about the obligation of government to create an environment that would allow the economy to become more buoyant and that would allow more jobs to be created in Atlantic Canada. That is where we should be focusing our attention. We should not be trying to simply put a band-aid fix on a very serious problem.

While we are on the subject of employment insurance programs I must talk about the massive raids the Minister of Finance and the Liberal government are embarking on in relation to the current surplus in the EI program. There will exist approximately \$22 billion in the EI surplus. I am not saying that money is there. As a matter of fact there is nothing there but an IOU from our finance minister because he has already scooped it all.

• (1605)

The EI commission has clearly said that in order to sustain the EI fund and to provide a contingency fund for rainy days a surplus of some \$15 billion would be required. That would be enough.

The finance minister is about to pilfer that fund to the tune of about \$7 billion simply because he wants the money. He will change the law to get his hands on money that rightfully belongs to Canadian employers and employees. If that money were turned

back in the form of reduced EI premiums, as the EI commission has clearly said and as the finance minister's own actuary and advisors have clearly said, massive jobs would be created.

The finance minister is not hearing anything about that. He wants to get his hands on that money, plain and simple, so that he can continue Liberal government overspending. Incidentally the government overspent its spending budget by some \$3 billion last year despite all the crowing it did about balancing the budget and maybe having a surplus. In times like this that is atrocious.

What is even worse is that most of that overspending went to build a millennium monument for our Prime Minister who will probably be gone after the year 2000. He wants to leave behind this millennium project legacy which the government says will benefit post-secondary education. Billions of dollars will be spent to benefit only about 5%, if that, of all post-secondary education students.

The finance minister wants to scoop that \$7 billion to make a legacy for his Prime Minister. He wants to build an election slush fund leading up to the next election so he can miraculously open the dikes and let the cash flow out. This is just a farce. I think members opposite realize what the finance minister is doing.

Mr. Greg Thompson: Madam Speaker, I rise on a point of order. As much as I enjoy listening to the member, it is my understanding that we are in 10 minute speeches and he is splitting his time with his colleague next door. I am hoping that we could hear from his colleague.

The Acting Speaker (Ms. Thibeault): The hon. member still has 49 seconds left in his speech.

Mr. Dick Harris: Madam Speaker, I am sure the hon. member from the fifth party would love to hear me speak all day about how mismanaged the government is under the Liberals. Eventually I would have to get to the performance of the Tory government that preceded it. Probably I should wrap up.

Let me get back to my main point. Although the motion may be an apple pie motion, it is premature. The program has not been properly evaluated and that has to be done before we would consider supporting the motion.

The Acting Speaker (Ms. Thibeault): Since there is a lot of interest in asking questions I would ask that members co-operate and keep their questions and answers short.

Mr. Wayne Easter (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Madam Speaker, this will not take long. The member should be congratulating us on foreign fishing. Whereas it was 350,000 tonnes in the late 1970s, it is down to 2,000 tonne per year now.

The member for Prince—George Bulkley Valley has demonstrated that a little knowledge is a dangerous thing. He must have been down there with the finance committee. That is what it demonstrates.

Is the member suggesting that the EI fund should be used for tax reductions rather than for employment measures? Is that what he is suggesting?

• (1610)

Second, would he not agree that the government is doing a lot in terms of creation of jobs through the transitional job fund, the Canadian opportunities strategy, the youth employment strategy, new hires programs and others?

Mr. Dick Harris: Madam Speaker, I would like to respond to the hon. member across by reminding him that he knows very well the best possible employment measure we can take is to reduce the taxation burden on Canadian businesses and workers. That is how to build a buoyant economy. That, contrary to what the Liberals say, is backed up by mountains and mountains of historical evidence.

We find that almost every country with a very reasonable tax regime has a buoyant economy. We only have to look to the province of Ontario where the Premier of Ontario has reduced personal income taxes by 30%. As a result, did Ontario bring in less taxes? No. Overall it brought in 10% more in taxes and the employers, the workers and everyone are far happier.

[Translation]

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Madam Speaker, when the Liberal government agreed to bundle small weeks to have more acceptable weeks, it agreed to do it in only 29 regions where the unemployment rates were the highest.

If the unemployment rate is 10.5% in one area and 9.4% in the neighbouring one, this does not mean poverty and hardship do not exist there.

I would ask my distinguished colleague whether he would support a motion asking the government to extend the program to every region in Canada where small weeks could be bundled to have more acceptable weeks so that a former miner at the BC Mine, Louis-Philippe Roy, is not penalized for having been of service by acting as a pallbearer for the funeral parlour.

[English]

Mr. Dick Harris: Madam Speaker, the hon. member raises an excellent point that I did not have time to mention in my presentation. As a matter of fact what we have here is regional inequality. If we are to give something to one part of the country, why on earth would we not give it to the rest of the family?

Supply

I have 17% unemployment in my home town of Prince George. We do not have access to a program like this one. If this program after evaluation has been determined to have some merit, to give it to one section of the country, one small section only, is basically saying to the rest of the country that it just does not count.

The Liberal government has been doing this to Canada as long as it has been in power, as have the Tories before it. It favours one part of the country over another. It has fostered in the nation everything that has given rise to differences, to dividing the country through its policies. It is about time the government started treating Canada like a family and treating everyone equally.

Mr. Eric Lowther (Calgary Centre, Ref.): Madam Speaker, I appreciate the remarks of my esteemed colleague and want to touch on a few key comments as well.

It might cause some confusion for those who are listening to hear about small weeks, big weeks, and the difference between one week and another. The motion deals with the unemployment insurance adjustment program which allows individuals who have worked only a portion of a week, perhaps part time or that kind of thing, to combine this work and apply it to their overall income to derive benefits from the EI plan.

• (1615)

On the face of it there is some good rationale for that kind of initiative to encourage people to continue to work, even if it is only part time, and not be penalized by reduced benefits. It sounds like a good idea.

I think what is a key element here is that the motion is perhaps premature today because we have spent \$230 million on this program. There has been a \$230 million increase in expenses because of this change. I guess the member opposite pointed out that this is a sign that the program is working. This is clearly a program that is needed.

What we have to ask ourselves, now that we have spent \$230 million, is has that actually encouraged people to work as opposed to not working and collecting a higher premium when it comes to the part time or short week type of work? Has it actually achieved the result of encouraging people to take on this part time or seasonal work? We do not have the answers to those questions.

This is a fundamental issue that is at play. I want to speak to this today because I see so many of the initiatives that are taken by governments, the government across the way in particular, and governments right across the land where there is no evaluation. I mean a third party evaluation, not an evaluation done by the government itself. Those kinds of evaluations are subject to political bias and possibly moving dollars in the way that will derive votes and support. I do not like to make those kinds of accusations, but I have seen enough to make me skeptical.

Supply

My concern is that there has been absolutely no evaluation. I came from a business background and if we were to spend \$230 million on anything along the way there would be assessments. Is this actually reaching the target? Are we encouraging people to continue to work? Are we achieving our goals? If not, shut it down and come up with something better. If we are, try to find ways to score more toward the goal to derive more benefit.

What do we have today? We have a motion that says "Keep it going. Keep spending the money. Somebody is collecting the money, therefore, it must be working".

This is a fundamental problem with the Liberal government in the way it approaches these types of issues. We have an auditor general who evaluates the government and I have read many of his recommendations. I think he often makes some very good recommendations that point out shortcomings. A third party evaluation of the money spent. Unfortunately it does not seem that the Liberal government acts on too many of the auditor general's recommendations. If it does it is very slow.

The key thing is that we must have some assessment of whether or not these tax dollars are actually deriving the stated benefit. If in fact they are, then perhaps we can improve on it.

As my hon. colleague said, why just Atlantic Canada? Why not other parts of Canada? In my own riding there are people who are unemployed. Do they have any less trauma by being unemployed or any less of a challenge in making it day to day than someone in Atlantic Canada? I would say not. Why do they not have access to it if in fact it is working?

Another benefit of evaluation is that we might come up with some better ideas, for Atlantic Canada particularly. In this day and age, with the information age, there are many new challenges in gaining new skills and that \$230 million could retrain 23,000 workers at \$10,000 a worker. There are a lot of potential abilities and a lot of new markets that those people could move into. If it was set up as a loan program we could benefit three to four times that many people with new training.

We do not question these things when we do not properly evaluate these programs. Someone is collecting. Just keep it rolling. There is no accountability at the end of the day with respect to where those tax dollars are going.

• (1620)

But again, is this so unusual? Tragically no. The government has treated the EI fund, basically, I am afraid to say, as a cash cow. It is not really being treated as a benefit program for workers. We have accumulated a \$19 billion surplus. It is accumulating at \$7 billion a year. There is room for a 33% reduction in the premiums that

workers and employers pay and we would still have some left over for that rainy day. Yet we do not see it happening.

I have in my riding the Canadian Restaurant and Foodservices Association. Those people lobby me and talk to me on a regular basis. I have many restaurant owners in my riding and they have continually come to me and said "Please put pressure on the finance minister to roll back the EI premiums that we are forced to pay".

This is an industry that employs many young people. It is their first step into the workplace. This group of small business people point out to me that this is the worst thing that the finance minister can do. We all applaud and praise small business as the engine of the economy, yet we skewer them with higher taxes, particularly payroll taxes. These payroll taxes must be rolled back, but we are not seeing that and I think it is tragic.

These are issues that I believe are even more important than the one we are debating today. It surprised me that this was actually the motion the Progressive Conservative Party felt needed to be debated here today.

Is it likely that we would actually see the Liberal Party roll back these EI payroll taxes? I would suggest that it is not. I would point to the budget debate last spring when the Liberals said that they wanted to spend any surplus. The official opposition at the time proposed broad based tax relief for Atlantic Canadians totalling over \$900 per year. That is really what is needed. We do not need more in the way of strengthened social programs. People get self-esteem and fulfilment from a job and we should be working toward providing jobs to Atlantic Canadians.

I am not the only one saying this. Let me quote Fred McMahon, a senior policy analyst with the Atlantic Institute for Market Studies. He says that the EI merry-go-round seems like a good idea for Atlantic Canada, but it is often not working. He goes on to say that the EI system has undermined Atlantic Canada's growth prospects. It has marginalized thousands of workers and even helped destroy our fish. Now, this is not me, this is Fred McMahon, senior policy analyst with the Atlantic Institute for Market Studies. It has not been good for Atlantic Canada by any measure. These are people who have studied the situation and they are saying that this is not the way to go in the best interests of Atlantic Canadians.

I point out again that if we had followed the reducing taxes and paying down debt approach in Atlantic Canada long advocated by the Reform Party as opposed to holding on to these high payroll taxes through the employment insurance program, if we had gone instead with our proposals, we would see a grand total of over \$1 billion a year in the pockets of long suffering Atlantic taxpayers, money which could be spent and invested not by bureaucrats and politicians but by Atlantic Canadians themselves to improve their own lives and future.

Mr. Charles Hubbard (Miramichi, Lib.): Madam Speaker, I know that across this country we have a lot of different interests and a lot of different concerns. However, it amazes me sometimes that some of us in one area of the country can become such experts on someplace else. It is one of the facts in the House.

• (1625)

I have a question for the hon. member. I appreciate his sincerity in trying to deal with these issues. As with the previous speaker, I support the concept that we have of attempting to put together what I call small weeks or grouping of hours in areas of high unemployment.

In Atlantic Canada, in particular, we have a good number of industries that rely upon workers for very short periods of time.

I was home during Thanksgiving week and it rained every day of that week. Fishing boats go out to sea, but sometimes they cannot harvest fish every day of the week. If we want our fish factories and our smaller firms to work in Atlantic Canada we have to provide an opportunity for people to put their hours together to constitute weeks for unemployment insurance purposes.

Is the member aware of this problem and the concerns that we have? I point out to him that it was not the workers who came to us in the Atlantic caucus asking for small weeks or days to be put together, rather it was the industries in Atlantic Canada that were having difficulty providing 40 hours of employment for *X* number of weeks for their workers.

Perhaps he could relate to the House his concept of this problem and how he and his party would deal with it.

Mr. Eric Lowther: Madam Speaker, I appreciate the question. We should all be aware that we are all Canadians from one side of the country to the other. The approach of saying that what works in one part of the country will not work in another is what underlies a lot of the policies of the Liberal government that have caused division in this country.

I can tell members that there is seasonal work in my province. There is seasonal work in my riding. The people who experience seasonal work have the same challenges, the same problems, the same concerns as people in Atlantic Canada. To say that the Canadian in Atlantic Canada who is in this situation is different than the Canadian in Calgary who feels that same set of challenges works against the whole coming together of Canada and making a stronger nation. I think the premise of his question is incorrect.

As far as the short weeks program is concerned, we have stated that it sounds like a good idea. It could be beneficial. We are not necessarily against it. What we are against is extending additional dollars to a program that has not been thoroughly evaluated to see if it is actually encouraging people to get out and work and to work part time as opposed to staying off EI benefits. That is the crux of it.

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A Canadian in Calgary, in our estimation, is no different from a Canadian in the Atlantic provinces.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Madam Speaker, it is interesting to hear Reform members stand to quote their friends in the right wing sectors of society.

I would remind the hon. member that the finance minister went to Halifax after the recent EI cuts of last year and asked the chamber of commerce a direct question: "If I reduce the premiums by another 20%, how many jobs would you create?" He asked the entire chamber of commerce that question at its luncheon meeting. Nobody could give an answer. There was no answer. Nobody could stand to say that they would create a job tomorrow if he reduced EI premiums. Not one. That was the finance minister asking the chamber of commerce that question. The hon. member mentioned Fred McMahon. He was also there for that meeting.

If the Reform Party really wants to cut taxes it should start working on cutting the GST and the HST in this country. Then we will have a serious tax cut that will help to create jobs right across this country.

Mr. Eric Lowther: Madam Speaker, I point out to the hon. member that a number of studies have been done which show that a 1% reduction in payroll taxes in this country will create thousands of jobs.

It is interesting that he would note the fact that the people this question was put to said they were not sure how many jobs it would create. However, study after study shows that if we reduce payroll taxes people hire more people.

[*Translation*]

The Acting Speaker (Ms. Thibeault): Order, please. It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Pictou—Antigonish—Guysborough, Fisheries; the hon. member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, Millennium Scholarships.

• (1630)

Mr. Robert Bertrand (Parliamentary Secretary to Minister of National Defence, Lib.): Madam Speaker, I will be sharing my time with a colleague.

The hon. member for Madawaska—Restigouche would like the government to make the small weeks pilot projects a permanent feature of the employment insurance system.

Like some of my colleagues on this side of the House, I greatly appreciate this salutary debate on the employment insurance system, but I must stress that these projects are, as their name shows, pilot projects. They were established in March 1997 to test

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other means of calculating EI benefits for a period ending November 15 of this year.

When it set up the employment insurance system in 1996, undertaking the first major reform of the unemployment insurance program in 25 years, the government knew full well that it was facing a very complicated situation.

Adjustment pilot projects were launched precisely to determine how to solve the problems faced by workers earning less than \$150 a week. These adjustment projects were implemented in 29 Canadian regions where the unemployment rate consistently exceeded 10%.

These measures were taken because some thought that the new legislation was dissuading people from taking part time jobs. Some workers thought a week without income was better than a week with a small income that would reduce their EI benefits.

Since the government's general objective is to put unemployed Canadians back to work, pilot projects were created to examine possible solutions to this problem. Two methods of calculating benefits were tested. The first one was to bundle small weeks and the second one, to exclude them.

They were two different ways of solving the problem of reduced work weeks in high unemployment regions. But both methods had the same positive results for employment insurance recipients. It was a matter of methodology, as one can expect with pilot projects.

The Government of Canada wanted to see which calculation method would work best and to determine the impact of pilot projects in general. It is important to remember this. The purpose of the pilot projects was to find solutions and to determine what would work best.

What were the results of these pilot projects? Since their implementation in May and August of 1997, 130,000 benefit periods have been established for small work weeks. Almost 12% of benefit claims submitted in participating regions involved small weeks.

What is important is that the people participating in the projects received benefits averaging \$19 or about 10% more per week. I must specify that this group of recipients included more women—about 61%—than men.

Also, since these projects were implemented in high unemployment regions, more than 51% of applications came from Quebec and 35% from the Atlantic provinces. Overall, these preliminary results are encouraging.

However, these are preliminary—and I insist on this word—preliminary results, and the analysis has not been completed. After all,

that is what pilot projects are for: to provide information that will serve as a basis for the development of long term policies.

Whether the hon. member likes it or not, policies cannot, and should not, be developed without due consideration. The government must thoroughly review the results before taking action. To do otherwise would be to act hastily.

We in this House of the Parliament of Canada know how essential the employment insurance system is to the social fabric of this country. That is why small weeks projects must be put in the appropriate context. In establishing a new employment insurance system, the Government of Canada wanted to introduce an hour based system.

• (1635)

In particular, it wanted to encourage Canadians to accept the work that was available. To all appearances, that is exactly what the new employment insurance program has enabled it to do. As the pilot programs have shown, the government is fully prepared to listen and to act.

As I have said, this reform is the broadest in a quarter of a century. That is why the government is prepared to examine the effects of the reform, and to make the necessary changes.

During this debate, much reference has been made to the beneficiaries to unemployed ratio. I must start off by pointing out that the beneficiaries to unemployed ratio was never established to measure the proportion of unemployed workers receiving employment insurance, and also more importantly that the it does not have a great deal to say about how effective the employment insurance program is at attaining its objectives. Why? Because the program is not intended to pay benefits to unemployed persons with tenuous or non-existent links to the labour market, or those who have left their jobs without justification.

The employment insurance program applies to 78% of Canadians with links to the labour market who have lost their jobs or resigned for valid reasons.

And although we have made great strides in the area of employment insurance, we should recognize that the plan cannot meet the needs of all unemployed Canadians. Everyone must realize that employment insurance is only part of the solution.

Other government measures are required and are in the process of implementation: measures to help people with disabilities, including a \$30 million employability assistance fund over three years to help them find work; the aboriginal human resources development strategy, spread over five years and supported by a board headed by the private sector aimed at improving native people's access to employment; the youth employment strategy to help young people, including those at risk, to make a successful transition from school to work.

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Finally, we set up the Canadian opportunities strategy to ensure that all Canadians have greater access to education and to the skills that will enable them to find and keep a better job. Nevertheless, the government does not have all the answers.

The concerns of the unemployed must become the concerns of all of us in the federal and provincial governments and in the private sector.

We must work together to find solutions. We must also not lose sight of the problems the employment insurance program was established to attack. It is not enough to make the plan more flexible in order to resolve the problems. That is not a solution.

As I said earlier, the situation is complex and will not be resolved with simple solutions. That having been said, we must continue to assess how Canadians and our economy are adjusting to the new EI regime.

Fortunately, the economic picture is improving in Canada. We are achieving some success in our efforts to lower the country's unemployment rate. In September, the unemployment rate was 8.3%, the lowest it has been in eight years.

We have also seen a 10.3% increase in the number of young people with jobs since the beginning of the year. The number of jobs has increased by a total of 1.3 million since October 1993.

Clearly, we are making headway. Together, we can attain our common goal of helping Canadians rejoin the workforce. As the statistics so clearly show, that is exactly what we are in the process of doing.

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, the way the government member is going on, it is clear he has his head in the sand, just like the Minister of Human Resources Development. They apparently do not want to move too quickly because we are living in one of the best countries in the world.

The pilot project was rushed in right after the reform because the new reform turned out to be unfair.

• (1640)

The Liberals are making it up as they go along. They are stalling for time on this issue. Why? Because there is a \$20 billion surplus in the EI fund and it has come out of the pockets of unemployed Canadians.

I would ask my colleague opposite to get moving. Money is being slowly siphoned out of the pockets of the unemployed to plump up the EI fund while this government is no longer contributing anything at all. This is affecting employees and employers. The Bloc Québécois has introduced six bills to improve the system. We have to stop worrying. We are only too aware of the system's impact. In fact, we have asked the committee to give priority to the

whole issue of the impact of EI reform, but the government is not interested.

Mr. Robert Bertrand: Madam Speaker, I thank the hon. member for her question. I clearly remember that when we were elected in 1993, the unemployment rate—as I like to point out—was close to 12%. The Minister of Finance and the government put in place certain tax policies, with the result that the national unemployment rate is now at 8.3%, if I am not mistaken.

I must say that even in Quebec, in spite of the terrible threat of separation that hangs over our heads, the unemployment rate has also gone down. I believe it is now around 10%.

I am the first to admit that there is work to do, but I am convinced that in a few months, when a new government is in office in Quebec, that rate will continue to go down.

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Madam Speaker, I remind my distinguished colleague, the Parliamentary Secretary to the Minister of National Defence, that the pilot project is currently being tried out in only 29 regions. The poverty to which we often allude in this House does not exist only in these 29 regions of Canada. In my riding, for example, the government refused to recognize the region of Thetford Mines, using the pretext that it was part of a very large region, Region No. 13, Chaudière—Appalaches, and also part of the Estrie region, where the unemployment rate is artificially lower.

I ask the parliamentary secretary whether an unfair practice is being used to penalize certain regions where the unemployment rate is high, but which have a lower unemployment rate when taken together. There is a reason why, within a period of four years, EI contributions have allowed the government to accumulate a surplus of \$20 billion. If there is a \$20 billion surplus, it is because there are people who make EI contributions, but who do not collect benefits. It is somewhat like being insured against fire, having your house burn down, and being told "You did pay premiums, but you were not covered, so you should have avoided that situation".

It is not very bright on the government's part to make the poor even poorer.

Mr. Robert Bertrand: Madam Speaker, as I said in my speech, these are only pilot projects, and the government will make adjustments according to their results.

In conclusion I would like to point out that I do not entirely agree with the numbers referred to by my honourable colleague. According to the numbers I have, 80% of applicants receive benefits.

• (1645)

[English]

Mr. John Richardson (Perth—Middlesex, Lib.): Madam Speaker, I am pleased to have the opportunity to participate in this

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important debate on the motion brought forward by the hon. member for Madawaska—Restigouche.

As the Minister of Human Resources Development and other colleagues have already noted, the government is assessing the viability of the small weeks concept and we are closer to making a decision on how these projects can best serve the employment needs of Canadians.

It is important to stress that employment insurance is the most comprehensive reform of income support in 25 years. It should be quite evident that a reform of this magnitude would require certain adjustments.

Members opposite have also expressed concern regarding the benefits to unemployment ratio, commonly referred to as the BU ratio.

In this regard the government has conducted a study on the BU ratio. The study indicated that the ratio was not a good indicator of how well the employment insurance system is doing. The problem is that the ratio does not distinguish between those workers for whom the program was designed and those for whom the program was never intended.

What the study showed is that the decline in BU ratio over the past 10 years is the result of a 50:50 split between the changes to the employment insurance program and changes in the labour market. The study showed 78% of unemployed workers who lost their jobs or quit with just cause were eligible for EI.

I remind hon. members that the purpose of EI is to provide temporary benefits to unemployed Canadians who have an attachment to the labour force. In that regard, the evidence strongly suggests that EI is meeting its objective.

We have not forgotten the Canadians who do not qualify for income benefits under the new EI system. We are addressing the needs of those individuals through a number of EI related initiatives. I am thinking of initiatives such as the active employment measures under EI, the transitional jobs fund, the youth employment strategy, the Canadian opportunities strategy and the new hires program.

At the same time let us be realistic. EI alone will not be able to address the needs of all unemployed Canadians. EI is not a panacea. It is simply one of several tools that Canadian workers can use to help return to the labour market.

As members opposite are aware, the EI act calls for five annual monitoring and assessment reports to determine how well individuals and communities are adjusting to the new system.

The 1997 report is the first, and naturally it gives us a general indication of the impact EI is having. This is to be expected with a new system as it encounters the real needs of Canadians. We know, for example, that some people are finding extra weeks of work before applying for unemployment insurance. It is terrific to see

that in areas with strong economic growth people are finding jobs rather than having to apply for EI benefits.

Speaking of jobs, over the past five years 1.3 million Canadians have found employment. The International Monetary Fund and the OECD predict that this year Canada's job growth rate will be the fastest among the major industrialized nations.

While we acknowledge that the unemployment rate remains a challenge, although it is now at the lowest level in eight years, no one can say we are not making progress.

That is the real measure of success for this new income support system, fewer unemployed, not more EI beneficiaries. The goal after all is to help unemployed Canadians get back to work.

The government recognizes that monitoring and assessment reports are a crucial part of EI reform. It is important to inform Canadians on the impact that reform of the income support system is having on individuals and their communities. Given its magnitude and the limited time the EI system has been in place, I believe this first of five annual reports indicates that we are moving in the right direction.

I said EI cannot be expected to address the needs of all unemployed Canadians. That is why we have other measures that I have mentioned.

Our goal is inclusive. We are committed to helping Canadians move into the economic mainstream and become self-reliant, contributing members of their communities.

I am sure hon. members will agree that nothing fights poverty better than a rewarding job.

• (1650)

That is the thrust behind the transitional jobs fund which has helped to create 31,000 jobs in high unemployment regions.

We also have the family income supplement which helps low income EI claimants with children. We have contributed \$190 million to a new federal-provincial initiative that helps people with disabilities to gain better access to the workforce.

As well, we have taken steps that directly address child poverty. We increased the Canada child tax benefit by \$850 million in July and we will further increase it by another \$850 million in the next two years.

These initial investments which will benefit low income families will increase our total investment for children to about \$6.8 billion by the year 2000.

I remind the hon. member for Madawaska—Restigouche that Canadians told us in no uncertain terms that the old unemployment

insurance system was out of date and badly in need of reform. It was a passive system that did not encourage unemployed workers to return to the labour force. EI on the other hand encourages workers to take all available work before applying for funds.

We do not want to return to the days where the UI system was regularly used to supplement incomes. The government is monitoring the system carefully. I encourage members opposite to join with us in helping Canadians find work. For these reasons I cannot vote in favour of the hon. member's motion.

Mr. Jean Dubé (Madawaska—Restigouche, PC): Madam Speaker, the hon. member and the speaker before him spoke of job creation. I would much rather be talking about that today. The way to create jobs in Canada is to reduce taxes. Until that is done, there are regions in Canada, not only Atlantic Canada, which are affected. What do we do with these people, these regions? This pilot project helps them considerably.

The hon. member talked about fiscal measures that have been put in place. I would like the hon. member to please tell this House what measures they put in place. Was it the GST? Was it free trade? Was it the cut to transfer payments? Was it the cuts to unemployment that affected these people we are talking about today?

Does this member not think that the measures put in place after the reform to employment insurance helped these 29 regions throughout Canada? Does the member not think the government should have a measure in place today, that the study should be in place three weeks before the deadline, and that the pilot project be renewed immediately?

Mr. John Richardson: Madam Speaker, I thank the hon. member for his intervention. Does the member not think it is worthwhile that the active measures are far more effective for EI than giving supplementary income and keeping people on the margin, not getting trained for a new job?

Does the member think the transitional jobs fund is not worthwhile by helping people get training so they can upgrade themselves for jobs that are available? Does the member not think these employment strategies are good strategies for these people?

Mr. Jean Dubé: They are not working.

Mr. John Richardson: How do you know?

Mr. Jean Dubé: Why is the employment rate so high?

Mr. John Richardson: We are leading all the OECD countries at the moment in job creation.

Mr. Jean Dubé: Not all regions of Canada.

Mr. John Richardson: I agree with the member. It is spotty. There is no doubt about it. We have to target those regions. The member is right on.

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The Canadian opportunities strategy and the new hires program are positive initiatives. This is the first year through. We have seen it. There are problems. We admit that. We have to address them. I agree with the member that one of the best ways is to cut taxes.

Mr. Monte Solberg (Medicine Hat, Ref.): Madam Speaker, the hon. member mentioned that Canada is leading the G-7 in job creation but I wonder if the hon. member is aware that in 1986 Canada and the U.S. were tied in terms of the employment rate at approximately 60%.

In the last 12 years in the United States the employment rate has grown to 63%. Our employment rate has stayed at 60%. If they had stayed at the same level we would have over one million more jobs in Canada today.

I suggest to the member his statistics do not tell the whole story.

• (1655)

I suggest that if Canada were creating jobs at the same pace as the United States we would have virtually no unemployment today. While I understand why the member wants to pat himself on the back, it is not as clear cut as he suggests.

How in the world can he justify getting up in this place today and saying we are not going to support the motion because we do not have our study done? His party is putting together the study. Three weeks away from the time when the program comes to and end it still does not have an assessment. How can that happen?

Mr. John Richardson: Madam Speaker, just to put the record straight, the International Monetary Fund and the OECD have predicted that Canada will lead the job growth rate in the industrialized nations. We will see it this year.

The Americans are by far the best off of the industrialized countries at the moment. There is no doubt about that. We are not trying to oversell that. At the same time if they are predicting right, we are catching up because we will be leading this year in job creation.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Madam Speaker, I will share my time with my colleague, the member for Rosemont.

It is with a great deal of interest that I take part in the debate on the motion moved by the member of the Conservative Party asking the government to amend the Employment Insurance Act in order to permanently extend the small weeks adjustment projects put in place by the Minister for Human Resources Development in March 1997.

As we know such pilot projects are being tried out in 29 regions. We also know that they will come to an end on November 15.

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The Bloc Québécois supports the Conservative Party's motion. However, if it had been possible, we would have liked to move an amendment asking the government to make the pilot projects a permanent feature in the 54 EI administrative areas, and to address the unfairness in the current Employment Insurance Act, which promotes increased poverty and deprives millions of people from the benefits of economic growth.

We know that a great many people who are not eligible to EI end up too quickly on welfare. Last December, the Bloc Québécois introduced six bills aimed at improving the lean program the employment insurance system has become.

Bill C-296, introduced by the Bloc Québécois, dealt among other things with small weeks, and was aimed at extending them to every region. We know that the level of benefits should be determined based on the average of the weeks with the highest earnings, rather than on all the weeks worked, including the small weeks, as is currently done in the 25 areas where the pilot projects are not being tried out.

Thanks to this formula, the cheques for some of the unemployed would not be greatly reduced and those who work very few hours a week would not be penalized.

I would like to give a concrete example. A lady who teaches adults has a 26 week contract, 35 hours a week at \$25 an hour. At the end of her contract, she signs a new one for six weeks at the same hourly rate, but for only three hours a week. What would happen? I will show how this lady is penalized.

Under the current legislation, in an area where there is no pilot project, this lady would be entitled to \$327 a week, because the last 26 weeks are taken into account, including the six weeks at only three hours a week. So, she is penalized.

Under the plan put forward by the Bloc Québécois in Bill C-296, this lady would have been entitled to \$413 a week, because the small weeks would not have been taken into consideration. Before the 1996 reform, that teacher would have got \$448 a week, again because the small weeks did not come into play.

As we can see, the Bloc Québécois has come up with a balanced solution between the reformed EI system as we know it now and what the old system provided in terms of EI benefits.

• (1700)

Previously, maximum insurable earnings were \$815 a week, instead of \$750, as is the case today. With the small week pilot project, a person can receive \$406 a week, in the same circumstances.

The current Employment Insurance Act will thus penalize this person by \$121 a week compared to 1996 levels, by \$35 a week compared to the Bloc's proposal and by \$42 compared to the

Conservative Party's proposal. This illustrates once again that the Bloc Québécois' approach is balanced, fair and equitable.

We know there are a number of other unfair aspects in the current Employment Insurance Act and the Bloc has condemned several of them since the reform. One of these aspects is the immediate elimination of discrimination against some categories of unemployed on the basis of their so-called presence in the workforce.

We know that a woman who has taken care of her child from birth to age two and who goes back to work will have to work 30% to 117% more hours to be eligible for the same benefits as regular claimants. It depends on the regional unemployment rate.

When the minister says that the reform is helping women and young people, we can see, with figures to back us up—because we also have figures—that women who stay at home more than two years are considered as new entrants in the workforce and have to work 910 hours, according to the regional rate of unemployment, while a regular claimant will have to work between 420 and 700 hours.

If that is what the Minister of Human Resources Development means by adjustment to labour market realities, he is on the wrong track.

There are other situations that are just absurd. For example, in the same region, a woman who worked 420 hours is eligible for EI benefits whereas if she were pregnant, she would have to work 700 hours. Before the reform, a woman had to work 300 hours to be eligible for maternity benefits, and now she has to work 700 hours.

Some say that this reform helps women, but, on the contrary, I say it does not encourage women to leave their jobs, take care of their children for two years and then go back to work. Knowing how difficult it often is to re-enter the work force, a woman will certainly think twice before leaving it.

The EI fund surplus is another irritant. The government is always carrying out studies. I just heard a colleague from the government side say that things must not be rushed, but by not rushing, billions of dollars are being accumulated in the employment insurance fund, at the rate of \$6 billion a year, when we know very well that the government is no longer putting a cent into the fund and that it comes from the pockets of the workers.

This is why the Bloc Québécois has called for a separate fund, one that is administered outside the control of the Minister of Human Resources Development. The auditor general is very clear on this. He says it would not be legal to use contributions for any purpose other than the one set out in the legislation.

What does the government do? It puts the money into the consolidated revenue fund, and we know now that those \$20 billion are more or less virtual money. While they are talking about their

compassion for the unemployed, they are busy piling up the money and carrying out a reform that tightens up eligibility.

What the minister is not saying is that fewer and fewer people who contribute qualify for benefits. Now, 38% of contributors have access. Since the Liberals came along, eligibility has eroded, and fewer and fewer people are eligible for benefits.

• (1705)

I find it regrettable that \$20 billion are being taken away from people in need, with seemingly no concern for what happens to them. Today, we agree with the small weeks. The pilot project put in place in a mad panic by this party because no thought was given to the impacts the reform would have on people. This pilot project was inaugurated in a mad panic because too many people could not qualify for employment insurance.

We want all regions to have access to this, because it is not only the high unemployment regions that can benefit from it. We would like to see everyone able to qualify for employment insurance in other regions which also have a high unemployment rate.

Ms. Angela Vautour (Beauséjour—Petitcodiac, NDP): Madam Speaker, I thank the Bloc Québécois member for her comments. I understand what she said. The situation is the same in my riding. There are more and more people who do not qualify, and those who do get very little money.

Today's motion is justified. It is unfortunate that it is not the Liberals who are prepared to make the necessary changes, because some people are suffering now. We told the government there was a problem with the act as such. This is very clear. I remember very well phoning Liberal ministers and telling them that one hour would be equal to one insurable week. They told me "No, do not worry, it is not what you think". When the act was implemented, some employers phoned us to ask what was going on. We are hurting our workers.

It is sad to have a government that purposely caused such problems to people who are laid off through no fault of their own.

Mrs. Christiane Gagnon: Madam Speaker, I thank my New Democratic Party colleague for her remarks. Earlier, I heard a Liberal member tell us that the government cannot meet all the needs. But, with \$20 billion in the EI fund, a fund that does not belong to us, and only 38% of those who pay premiums qualifying, my thought is that this government does not want to take action because it suits it not to do so.

There has been no change in the reform. The matter is being studied. We know very well that this reform is having a catastrophic impact on the unemployed. Several thousands of people are on welfare. Again, the provinces must pick up the pieces because, in

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addition to not contributing to the EI fund, the federal government is preventing even more people from qualifying. This reform is unfair and the eligibility criteria are too restrictive.

We introduced six bills to improve the system and strike some sort of balance between the previous and present situations. The government is stalling, with answers about how things were before the reform, precisely so that it can rack up billions of dollars on the backs of the unemployed.

Mrs. Pauline Picard (Drummond, BQ): Madam Speaker, I want to thank the member for Quebec for her very interesting comments and for her work on this issue.

• (1710)

I would like her to remind us of the adverse effects that the EI reform has had on women. I would like her to repeat the example she gave a few moments ago and explain to us how pregnant women have been adversely affected by the reform.

I would also like her to tell us what the Bloc Québécois thinks should be done with the EI fund surplus, why that money, which does not belong to the government, should be returned to the workers and the employers.

This situation has been strongly criticized throughout Quebec and Canada. By amending the Employment Insurance Act in order to use the EI fund surplus for other purposes instead of reinvesting it to lighten the workers' heavy financial burden, the government is practically stealing that money.

I would like my colleague to comment on that so we can better understand the situation.

Mrs. Christiane Gagnon: Madam Speaker, I would need half an hour to answer my hon. colleague. What I can say is that, while the minister's objective is to encourage people to get back to work, that is not what we are seeing in real life. Including small weeks in the calculation of benefits discourages people from going back to work.

My colleague suggested that women, for instance, be encouraged to stay at home to raise their kids for two years because they need 30% to 117% more hours to return to the labour force.

Mr. Bernard Bigras (Rosemont, BQ): Madam Speaker, it is never easy to speak after hearing remarks as eloquent as the ones made by my colleague from Quebec. I will nevertheless try to clarify the motion before us today.

It is a pleasure to rise to speak on the important issue of employment insurance reform. For more than two years, we have been questioning the Minister of Human Resources Development about the steady decline in the number of unemployed workers who qualify for EI benefits.

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All this time the minister claims to be concerned by this tragic situation, but does not do a thing to change it. Once again, the minister is full of good intentions, but does not act on them. It is always the same thing on the government side: all talk and very little action.

Worse yet, this government is trying to divert—and that is a rather strong word—the \$7 billion it has taken—not to say “stolen”, for I do not want to use unparliamentary language, although the choice of words is still important—from workers and employers to spend as it pleases. This money does not belong to the government but to Canadian workers and employers.

As my colleague from Quebec said very eloquently a moment ago, the motion before us today concerns specifically an urgently needed amendment to the employment insurance plan. It must be recalled that this motion by the Conservative Party reads as follows: “That, in the opinion of this House, the government should continue with the Employment Insurance Small Weeks Adjustment Projects and amend the legislation in order to make the adjustment projects a permanent feature of the Employment Insurance Act.”

As my colleagues have already said, we in the Bloc Québécois support this motion. We have in fact been calling for essentially the same thing for quite some time. My colleague has said that a number of bills have been introduced on this side of the House, but, unfortunately, the government has repeatedly ignored them.

Last December, we introduced Bill C-296, one of whose clauses provided a method for resolving the problem of the small weeks. Unfortunately, once again, the government has refused to deal with it. The opposition has therefore been obliged to use an opposition day. Yet again, the government is rejecting both the recommendations of the Conservative Party and Bill C-296, which the minister should frequently refer to. The Liberal government must pass this amendment as quickly as possible in order to repair one of the many inequities it has caused with its reform.

• (1715)

I will first explain what the small weeks adjustment projects are. Then I will explain why it is vital to make these pilot projects into a standard that will be universally applied. Finally, I will explain how the government is trying to hide behind a commissioned analysis in order to justify its inaction in this matter.

Currently, the Employment Insurance Act includes a new method for calculating benefits, which penalizes claimants by calculating a lower benefit amount. This method also discourages people from working who might otherwise be working a limited number of hours and weeks. This problem particularly affects high unemployment areas and some categories of workers, mainly the young and the women.

We believe however that this motion is not explicit enough, since it does not specify if the areas involved would only be those where pilot projects are currently under way or all the areas in Canada. Under the current EI system, only 21 administrative regions out of 54 are affected by the lumping or exclusion of the small weeks. We are convinced that the new formula, whether it be the lumping or the exclusion of the small weeks, should apply throughout Canada.

But first, I want to say that the government must act quickly because the small weeks pilot projects are coming to an end on November 15. As we all know, the purpose of these projects was to reduce some of the disincentives and devastating effects of the Employment Insurance Act. In fact, the new legislation unfairly penalizes those who agree to work small weeks, where they earn less than \$150.

I think it is also important to mention, because it not only affects the formula, that these projects were to pacify the employers who were complaining about being unable to find employees ready to work small weeks. So, for some time now, some workers have agreed to work small weeks, because they thought the program would be renewed. The minister has to set things straight right away and tell us what he intends to do with these projects. If not, he would be penalizing these workers whom he has kept in the dark, without telling them what he was going to do.

Let me remind the House where this program to reduce the effects of the federal government's drastic cuts in the EI program comes from.

On March 5, 1997, barely two months after the coming into force of his new program, the Minister of Human Resources Development had to announce adjustment projects to mollify employers and workers in areas where unemployment rates were very high, including eastern Quebec and the maritimes. This admission of failure was the sign of his lack of vision and understanding of the impacts of a reform crafted mainly to save billions of dollars at the expense of the unemployed.

The main problem, already mentioned by the Bloc Québécois, is the disincentive to work. A worker who accepts to work a few hours a week for a while, combining small and big workweeks, will probably be penalized financially the next time he puts in a claim. This is due to the new way benefits are calculated.

Suppose a worker in eastern Quebec works 20 big weeks at \$450 a week, and six small weeks at \$60, for a total of 26 weeks and an income of \$9,360. Now he will have to make do on \$198 a week.

Before the reform, he would have been entitled to \$248 a week, and to \$245 under the pilot project. In Quebec, 13.7%, that is nearly 14%, of people who lost their job have worked at least one small week. This rate is much higher in the maritimes and eastern

Quebec. It is 24% in eastern Quebec and in the Chicoutimi—Jonquièrre area.

• (1720)

There are reportedly 25,000 persons in this situation in Montreal, which represents 11.8%. Women are more likely to be in this group: 22.7% compared to 5.5% of men. Young people are also affected: 17.2%, or almost 18 of young people under age 30, as opposed to 8% of people over age 30.

I think these figures are self-explanatory. The federal government has tightened EI eligibility criteria to such an extent that it is making young people and women pay for the debt with premiums they pay to protect themselves from unemployment. This misappropriation of funds is unacceptable and the government must agree now with today's motion.

Ms. Angela Vautour (Beauséjour—Petitcodiac, NDP): Madam Speaker, once again I would like to thank my colleague from the Bloc.

When we listen to these speeches, we realize that what is happening in Quebec and the Atlantic provinces, in terms of unemployment insurance, is much the same. I think I will call it by its real name, even though the name was changed to "employment insurance" to try to convince people they will find a job, despite the fact that the Liberal government will not make an effort to create jobs.

I would like to know if my colleague encounters the same problems as I do in his riding. I receive calls from people concerning their cheques. A lady called me yesterday and said "I think the employment centre has made an error in my calculation. I have worked more than 20 weeks, but it only calculated six weeks. My cheque is only for \$60 a week; I cannot live on that. I think it made a mistake". I told her no, it did not make a mistake. It added the famous divider of the 26 week period to make the calculation. I even received calls from people getting \$32 a week.

I would like to know if my colleague from the Bloc receives the same type of complaints in his region.

Mr. Bernard Bigras: Madam Speaker, I thank my colleague from Beauséjour—Petitcodiac for her questions. Her questions are always well founded.

I remember last week's debate on APEC. The question was very much to the point, and it enabled me to inform the House of the Canadian federation on APEC.

Yes indeed we are getting calls at the office. Why? Because this government must understand immediately that the employment insurance reform and the new employment insurance legislation serve to exclude and to discriminate against young people and women, in particular. The Bloc Québécois considers it unacceptable to have contributions paid into a plan that denies benefits. I think this must be said loud and clear.

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It is as if we had paid insurance premiums, but were told "We will not pay you", after a fire in the house. That is unacceptable. It is an exclusion clause and a discriminatory clause that affects not only young people and women, but entire regions and thousands of Quebecers and Canadians.

Some hon. members: Oh, Oh.

Mr. Bernard Bigras: I hear the members opposite reacting to my words; clearly they do not come from regions hard hit by unemployment.

• (1725)

They are certainly not from the regions excluded, whose constituents are excluded, by the plan. In this regard, I agree entirely with what the member for Beauséjour—Petitcodiac said. Many people in my riding have told me of the pitiful state of this plan.

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, I would like to point out something about EI that completely stunned and staggered me.

Employers must pay their share to the EI fund. All businesses must pay. It is not only the employees who pay. The Government of Quebec is an employer and, as such, its share exceeds the real needs, so it contributes to reducing the federal deficit to the tune of \$200 million a year.

I would like my colleague to comment on that.

Mr. Bernard Bigras: Mr. Speaker, this is the whole issue of the surpluses. I know that I do not have much time to answer, but I will try to do it quickly.

Employers and employees contribute every year to a program, but cannot get benefits. For us, that is unacceptable. In the past, before the reform, more than 75% of young unemployed people could claim UI benefits.

I will conclude with a question: What percentage of young unemployed can now claim EI benefits under the new system? Only 25%.

[*English*]

Mr. Hec Clouthier (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, it is indeed a pleasure for me to speak to this motion brought forward by the hon. member for Madawaska—Restigouche.

It will please members to no end to know that I will be sharing my time with the hardworking vivacious member for Guelph—Wellington.

I have a speech which took me hours to prepare, but basically I am going to touch on a few nuances brought forward by some of the members opposite, in particular members of the Reform Party.

It is interesting to note that in the weekend's paper it was clearly evinced that one of the members of the Reform Party, I believe the member for Medicine Hat, practises some of his dialogue before speaking in the House of Commons. Other members of the Reform

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Party perhaps better take a look in the mirror before they start making disparaging remarks about this piece of legislation and condemn it in its entirety for the simple reason that they say it is isolationist and it targets one part of the country, which is absolutely and unequivocally a falsehood.

They are indulging in nothing more than verbal turpitude. They are the people who want at the end of the day to speak for all Canadians, whereas this piece of legislation basically does address all Canadians. One member said it does not reach into his riding because he has 17% unemployment in his riding. If he has 17% unemployment in his riding and he wants to rail against the government, he better look inward and say perhaps there is something he personally should do to alleviate those concerns.

In this piece of legislation when we talk about the big weeks and the small weeks, we are actually looking for a formula to address unemployment.

We on the government side do not look upon unemployment favourably. We are trying to do everything we possibly can to ameliorate the situation and address the concerns.

• (1730)

When we look at the big weeks I think of the word big and my hon. colleague from Pontiac—Gatineau—Labelle. He is big in heart and big in empathy for those who are dispossessed and those who are out of work. When we look at the small weeks I think of the word small and the member for Frontenac—Mégantic.

[*Translation*]

I think he is not here, but his ideas are not very great.

[*English*]

He has a small vision of the country. He is from the Bloc Québécois Party which does not really care about the rest of the country. Everyone knows that it is an isolationist party. Dare I say that the opposition party, the Reform Party, in some instances also delves into the realm of being isolationist because it does not want to address the entire situation.

I know my hon. colleague opposite is a business person. He knows that the best way to alleviate unemployment is to have a strong, vibrant economy. I know the hon. member, the little fellow from Medicine Hat who has certain Thespian qualities about him, has said that they would create in the blue book about one million jobs by the year 2000. I believe that is their mandate.

All of Canada knows that we on this side of the House have already reached that point. We have created about 1.3 million jobs and growing, less than two years faster than the Reform Party suggested. Talk is cheap. It is easy to say what one is going to do.

We have actually done it. We have the lowest unemployment rate now in about eight years.

Another thing that is great for business and will help the employment picture is that we have the lowest interest rates in over 30 years.

I am a business person besides. When I had a real job I was in business, until I got elected as a member of parliament. I see what goes on here on occasion. It is dreadful. Let us face reality. If there are low interest rates which we currently have, the lowest in over 30 years, it is very propitious for the job sector. That is one of the reasons we have the lowest unemployment. It is now down to about 8.4%. When we took over in 1993 I believe it was something around 12.4%. That in itself propagates that the unemployment picture will look better.

To get back to this piece of legislation, I agree a lot with what the hon. member for Madawaska—Restigouche has been saying, but I cannot say to him at this stage, today, here and now, that I am in complete agreement with him on this issue because it is a pilot project.

We will take a look at it on November 15. The hon. member should hold his horses, or perhaps I should say to him sharpen his blades. He has already told me that he is a hockey player. I believe he is skating on thin ice on this one. He should get his skates sharpened because we on this side have sharpened our pencils. That is why the employment picture is at the best it has been for years and years and years.

I know the fourth party, the NDP, is very concerned about the unemployment picture. Its members are very eloquent spokespersons in that regard. However I disagree with them. I do not believe that we should have generations and generations of people on unemployment. I would like to see these people get job retraining and upgrading. I believe they agree with me in that regard, but that is where they viscerally disagree with the Reform Party because the Reform Party's agenda is to cut them off. Anybody who has come back year in and year out to the employment insurance fund would be arbitrarily cut off. The NDP agrees with the Liberal Party in the area of job retraining.

We look after our students. We have the youth employment centre programs which are generated with the money from employment insurance premiums. Everyone would like to see a reduction, but at what expense? The finance minister has clearly indicated that we are a caring, compassionate country. We will reach out to all sectors of the population to try to help them.

• (1735)

Some people think employment insurance is a fund but it is not. It goes into the general revenue fund. That was passed in 1986. I was not here in 1986. I do not know who was here then but I believe that is when it was passed.

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We have managed that fund remarkably well. I remember back in the early 1980s when the unemployment insurance fund was running at a deficit of about \$500 million a year. Now, because we have a surplus and because we are managing it extremely well, we are to be penalized and we are to be looked upon in a pejorative manner. I emphatically state we will not apologize for managing that fund extremely well, better than it has been managed in years.

I know the member for Medicine Hat likes to get involved in Shakespeare. Alfred Lord Tennyson said:

Come, my friends,
 'T is not too late to seek a newer world.
 Push off, and sitting well in order smite
 The sounding furrows; for my purpose holds
 To sail beyond the sunset, and the baths
 Of all the western stars, until I die.
 It may be that the gulfs will wash us down;
 It may be we shall touch the Happy Isles,
 And see the great Achilles, whom we knew.
 Tho' much is taken, much abides; and tho'
 We are not now that strength which in old days
 Moved earth and heaven, that which we are, we are,—
 One equal temper of heroic hearts,
 Made weak by time and fate, but strong in will
 To strive, to seek, to find, and not to yield.

That is what the Liberal Party of Canada will do. We will strive to find resolutions to the unemployment issue. We will seek the solutions in good Liberal policies. We will find a way to help all people throughout the country because that is the Liberal tradition.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, we are talking about a serious matter today. This is no time for fooling around.

The issue of small weeks does not affect people who are unemployed in the usual manner. It affects those who work for a living every week that they have a job, for 20, 24, 25 or 26 weeks a year.

If the system is not extended, a person earning \$450 a week for 20 weeks and \$60 a week for six small weeks will receive benefits of \$198, instead of the \$245 the program now allows.

This is no joking matter. We are talking about salaries of \$20,000 or \$25,000 a year. Only people completely cut off from reality would laugh at such a situation. This is not a case of asking people to become more eligible. We are asking that benefits be reasonable, because the cost of this system for one year represents one half of 1% of the surplus in the fund.

An hon. member: Oh, oh.

Mr. Paul Crête: I would like the member to listen to what I am saying and take this a little more seriously.

Could he not ask his party to devote one half of 1% of the \$20 billion surplus in the fund to maintain a program that has been around for two years?

In conclusion, I would remind the member that the Auditor General of Canada said that, if the federal government used the money for anything other than unemployment, administration costs and training expenses, it would be illegal. Right now, the federal government is receiving interest on the EI fund and it would be illegal for it to use it elsewhere.

Mr. Hec Clouthier: Mr. Speaker, I am very surprised and astonished at the comments of the member opposite.

Does he think that government members are not serious minded? We are indeed, but you are not, because the former Bloc Québécois leader said that Canada was not a real country.

[*English*]

It is not real. Your leader said that, so what are you talking about over there?

• (1740)

The Acting Speaker (Mr. McClelland): I would again remind members to address each other through the Chair.

Ms. Angela Vautour (Beauséjour—Petitcodiac, NDP): Mr. Speaker, I saw the member getting upset just a minute ago. I am a little concerned because I have to give credit where credit is due.

Definitely the Bloc has been fighting, like the NDP has been fighting, to try to bring justice to this program which has been destroyed by the Liberal government. The member has talked about how well they manage and how proud they are of what they have achieved. What they have achieved is the creation of the biggest gap ever between the rich and the poor.

They sit there and are happy about it and so proud that they managed. I can manage my finances very well at home. I can save 50% of my money if I want to starve my two kids. I can be very proud that I have money in the bank. I get upset when I see members of parliament saying that they are proud of the surplus. Yet they do not talk about the hardship they have created for the people and for the community.

This is not just a seasonal worker problem. It is a community problem created by the Liberal government that is so proud of this surplus. I do not understand it.

Mr. Hec Clouthier: Mr. Speaker, I would like the member opposite to understand this, and I will make it very clear and very plain to you. We have reduced—

The Acting Speaker (Mr. McClelland): Make it plain to everybody but make it plain through the Chair.

Mr. Hec Clouthier: Mr. Speaker, we have reduced the employment insurance premiums not once, not twice, not thrice but four

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times. We have managed that fund very well. We have reduced unemployment from 12.4% to 8.4%.

I remind the hon. member opposite through you, Mr. Speaker, that I suffered through an NDP government in the province of Ontario, and let me say that it was not a pretty sight. It is a travesty to see that Ontario's Bob Rae was named man of the year for creating jobs in Buffalo.

We are doing what has to be done to alleviate the difficulties with employment insurance premiums. We are doing a remarkable job. I appreciate the comments of the hon. member opposite, but deep down where it really counts I know she agrees with our policy in this regard.

Mrs. Brenda Chamberlain (Parliamentary Secretary to Minister of Labour, Lib.): Mr. Speaker, I thank the hon. member for Renfrew—Nipissing—Pembroke for his eloquent comments. I think they were most interesting.

I rise in the House today to take part in this extremely important debate on the employment insurance system. I am pleased the hon. member for Madawaska—Restigouche has brought the motion before the House. It gives the government the opportunity to help Canadians understand why it was necessary to reform the old unemployment insurance income support system.

The hon. member's motion specifically addresses the small weeks adjustment projects. These pilots have served as an added incentive for workers to take any employment, even for a few extra hours. That is the thrust behind the new EI program to ensure that every hour of work counts toward eligibility for benefits and to encourage people to work as much as possible.

I think that is very important. I do not have a problem with the small weeks adjustment projects per se. They are an important means of helping seasonal and cyclical workers, a means of making the system a little more fair. However, I do not think that small weeks adjustment projects should continue in their current form indefinitely.

As the hon. member knows, these projects are being carried out in 29 high unemployment regions. While I understand the need for these projects in these areas, I would ask the minister to consider the advisability of making them less regional and applying them more evenly across our great country.

Employment insurance is an important part of our social safety net. I emphasize the word employment because I think the change from unemployment to employment insurance was an important one.

• (1745)

This program was never intended to make being jobless easy but rather to tide the person over between jobs and to act as a buffer

while the person is looking for work. The idea is to get unemployed workers to use EI as temporary income support while looking for a new job or upgrading their skills so they can return to the workforce as quickly as possible.

The new EI system has been restructured and redesigned to be more inclusive. For example, a number of those who are taking part in the small weeks project also receive the family income supplement, a supplement introduced by this government to address the needs of Canadians who may be living in poverty. A \$50 floor on earnings also applies to low income earners so that these workers can earn more while still receiving EI benefits. Workers with an annual income of less than \$2,000 also have their premium payments refunded and are eligible to participate in active employment measures.

The reform of the EI system has benefited many people. EI is now more accessible to women. Close to 700,000 women who work part time now have their EI payments refunded and because every paid hour of work counts the 14 hour job trap women used to find themselves in under UI has been lifted.

The small weeks adjustment project is just one example of how the Department of Human Resources Development is responding to the changing labour market.

Today very few people stay at the same job for more than 10 years. The average person changes careers, not just jobs, five times between the time they finish school and the time they retire.

People have to be flexible and willing to adapt to new work environments and working conditions. The good old 9 to 5 does not apply to every job. Some people work 40 hours a week while others work at two or three part time jobs or are employed casually on a day by day basis.

This is why small weeks adjustment projects can be so beneficial. I would like to ask the minister to consider the advisability of seeing the project standardized and nationalized.

As the member of parliament for Guelph—Wellington, a riding representing a high number of construction workers, I use the construction industry as an example. A construction worker may work 40 hours one week and 20 hours another week. Construction is not a 9 to 5, Monday to Friday industry. Workers work until the job is done be that on a Monday, Wednesday, Saturday or any other day of the week. When the worker gets laid off, somewhat of an inevitable occurrence in this profession, and if they choose to apply for EI their benefits are calculated on their last 20 weeks of work.

Let us take a mason who has worked 40 hours a week for 6 months on a construction week then during the last 20 weeks of the project the nature of the work changes and his hours are cut back to 30 years for 5 weeks and then 20 hours for the next 5 weeks. The amount of EI the mason is now eligible to collect will be

considerably smaller due to those small weeks. That does not seem very fair to me.

The small weeks adjustment projects were implemented for situations like this one, the ones we have in Guelph—Wellington. However, we cannot access this project. In practice they have only been developed in certain regions of the country.

Employment insurance is part of Canada's social fabric and a reason why Canada is ranked number one by the United Nations in terms of our standard of living. It is the Canadian way to help others in need. Charity and community spirit are two identifying features of our national psyche.

When Quebec was devastated by flooding a few years ago Canadians from every region responded. Even though Quebecers did not want to be a part of this country Canadians went there and responded because they are Canadians, Canadians who live in Quebec.

A year later when the Red River overflowed people in every province and territory reached out to the people of Manitoba. Just last year when the ice storm struck Ontario and Quebec citizens from my riding of Guelph—Wellington and communities like ours everywhere responded immediately to the call for help in Quebec again.

I see that Bloc members are laughing because other Canadians responded to their needs. I think that is a terrible thing. It is very sad that the Bloc Quebecois responds by laughing and mocking.

Given this track record of helping our fellow citizens, no matter where they live, it does not make sense to help unemployed workers in one region of the country more than in another region.

• (1750)

All hon. members agree we have a responsibility to do everything within our power to help Canadians and their families avoid poverty and its traumatic effects.

I believe the small weeks adjustment projects are an important addition to the employment insurance system. I would like to see them continue, but nationally as well as regionally. The government knew that some regions had higher unemployment rates and that EI reform would impact some communities more than others. However, labour market conditions are changing everywhere and small weeks is a problem encountered by EI applicants across the country. This is a problem that needs to be addressed.

It is my understanding that the government is now analysing the projects to determine what action may be required. The government is close to being able to make a decision on the future of the small weeks adjustment projects experiment. These projects are scheduled to be completed on November 15. It would be premature

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to commit to renewing them without first assessing their impact and the effectiveness in the regions in which they will be implemented, then taking a serious look at where else they could be of benefit to all Canadians.

As I mentioned, Canada is considered the best country in the world when it comes to our standard of living. Our social safety net is a big reason why. Canadians look out for one another in times of need. Whether the hardship is caused by a national disaster, illness or unemployment it is important to help our fellow Canadians wherever they are, wherever they live.

I understand that unemployment is higher in certain regions of the country, but we also have to look at the unemployment levels by industry to ensure we are helping as many Canadians as possible and helping them equally. That is what being Canadian is all about.

[*Translation*]

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Mr. Speaker, I think my distinguished colleague is totally disconnected from human reality in this country. She must surely live in a posh neighbourhood, and she probably does not meet her voters in the places where she should.

In 1997, Quebec paid \$475 million more than it received. Federalists can no longer use the argument they relied on in 1980, when they tried to scare people by saying "We cannot separate from the rest of Canada, or else we will lose access to the unemployment insurance program".

The hon. member spoke about poverty. I would like to know what she thinks of the people in my riding who work as volunteer firefighters. These people clean fire trucks, hoses, etc., on a volunteer basis. The fifteen or so volunteer firefighters in Black Lake spend hours of their free time doing that work and maintaining a volunteer firefighters unit in the community.

When they fight a fire, they are paid \$14 or \$15 per hour. There is a volunteer fireman who helped fight 12 fires. He suffered a shortfall of \$1,534. Because he earned \$526, the government knocked \$1,534 off his benefits. This is a volunteer fireman who does volunteer work and who contributed \$1,534 to the \$20 billion accumulated surplus. Is this what we mean by poverty?

This government is taxing poor people to death in order to lower its deficit. EI contributions are too high, given the benefits paid by the government to the unemployed.

[*English*]

Mrs. Brenda Chamberlain: Mr. Speaker, it is hard for me to sit across from the Bloc Quebecois and listen to this.

Quebec derives many things from Canada because it is a Canadian province. It willingly take everything from us. When the

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ice storm happened, and the flooding, it took all the things that Guelph—Wellington brought to it. It took them gladly.

• (1755)

But here Bloc members sit. They mock and they laugh. They do not represent all of Canada here. If they truly believed what they are saying they would not sit as members of parliament because they do not represent Canada. They should be representing provincially if that is what they believe. But they do not believe that. They take everything from Canada—

[Translation]

Mr. Jean-Guy Chrétien: Mr. Speaker, I rise on a point of order. I want to point out that I was elected democratically in the riding of Frontenac—Mégantic, just like the Liberal member opposite, and I must represent—

[English]

The Acting Speaker (Mr. McClelland): That is a point of debate and both sides have their oars in the water. We have a minute and a bit left for questions and comments.

Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.): Mr. Speaker, sometimes it is unfortunate that we are limited in time. The member for Renfrew—Nipissing—Pembroke stated that the EI fund had been very well managed by the Liberal government. That is exactly what he said.

My opinion is that a \$19 billion surplus which does not exist because it has been spent is atrocious management.

I wonder if the member for Guelph—Wellington would agree that misappropriation of \$19 billion is very good management as stated by the member for Renfrew—Nipissing—Pembroke.

Mrs. Brenda Chamberlain: Mr. Speaker, the Reform Party that wants to privatize the plan and that does not wish to help other individual across the country or even help its own citizens in the ridings it represents continually tries to look at the dark side. Reformers do not want to lift people up. They do not want to help their fellow human beings.

The Reform Party says that it wants us to be fiscally responsible. Nineteen billion dollars should be fiscally responsible, should it not?

[Translation]

Ms. Angela Vautour (Beauséjour—Petitcodiac, NDP): Mr. Speaker, I must say I was really wanted to speak today. I must also say that this is a sad moment, because the subject of the debate is

not a happy one at home. Unemployment insurance is always a subject of sadness for us.

In the Atlantic region, as in my riding of Beauséjour—Petitcodiac, many people are suffering as the result of cuts to EI made by our famous Liberal government.

As I keep saying, this is the government whose Prime Minister campaigned in my riding, making promise after promise, saying that he would scrap the GST, that he would make sure seasonal workers did not have to worry about managing to live in our regions. The people believed him. They elected him. And this is the thanks we get. We have not forgotten it.

There is a lot of sadness. As I said earlier, I got another call last night, from a woman who said “I think the employment centre has made a mistake. They did a calculation and included only the past six weeks, the money from the past six weeks, although I worked 26 weeks”. She ended up with just about nothing.

At the same time, we have Liberal members who say they are very proud of themselves, that there is a \$20 billion surplus. They are proud of the way they managed the account, but they do not say a thing about the suffering there is everywhere.

• (1800)

More and more people are living in poverty. Mothers come to me and say “It’s not just a problem for the seasonal workers. It’s a community problem”. They have taken \$927 million out of the New Brunswick economy since the cuts, and the government is as proud as punch of having done so.

We will not have the opportunity to see the Minister of Human Resources Development come to our region and face these problems. He does not have the gumption to do so, because he is not capable of looking the poverty and misery he has created in the face. He is not the one getting calls to his office. I am sure he is never there. In my opinion, he is not even aware of what is going on, three-quarters of the time.

I would really like to see him go to northern New Brunswick, to Kent and Albert County, to face the reality of employment insurance reform. The government has found the path to the pot of gold, and now it can boast it has paid off the deficit. Very proud of themselves they are, those Liberals. The only ones who should be proud are the workers. They are the ones who paid off the deficit. Nobody else.

We had the Prime Minister come to tell us he was going to “scrap the GST”. What was the outcome of that? An additional 15% on electricity bills, an additional 15% of workers on unemployment, an additional 15% on the cost of children’s clothing, while employment insurance cheques are cut at the same time. Then people wonder why there is more violence in our communities. They blame it on the parents: broken homes, some other problem.

We know the source of the problems. They have been right in front of me for over a year. That is the problem.

I cannot imagine that members on the other side can say they are proud of the society they are creating. At home, in an area where there had never been a bank robbery, there were three in four days in the county of Kent. There was one in a store in Bouctouche last week. These things did not happen at all two years ago.

We used to have a program that had been established to share the wealth. Now we have another problem. Some children go to school hungry. Why? Their parents are poor. We do not find a poor child if his parents are not poor.

The government brags about that fact it has created many jobs. It never talks about the jobs that it has cut, the jobs that were lost, the jobs that will be lost with bank mergers. We do not hear about those things.

We do not hear about the women who were penalized. The Liberal member said a few moments ago that part time workers with three or four jobs now qualify for EI. That is good for urban areas, but it does not do much for rural communities where finding even one part time job is difficult. Those people pay EI premiums but never qualify, while the Liberals keep playing with numbers. Those people pay thousands and thousands of dollars in premiums, but they are not eligible. A distinction must be made.

And what about women who are no longer eligible for maternity benefits? Before the reform, they had to work 300 hours to be eligible. Now, they have to work 700 hours. What is good for women in that program? Nothing. Part time workers in education are also affected. Some of them no longer qualify. In the past, if they did not qualify, at least they did not have to contribute. Nowadays, they must contribute, but they do not qualify. The same goes for health care workers.

The famous dividing factor must also be discussed. They are saying: "Yes, people can qualify with 10 work weeks, as long as they have the required number of hours worked. People can qualify with six work weeks, as long as they have the required number of hours worked". However, they forget to mention that, in their regions, the number is to be divided by 14. In other regions, it is divided by 18. And then the benefits will be calculated over 26 weeks.

I get calls from people who receive cheques for \$32, \$65 or \$85, and I see Liberal members standing up to congratulate themselves.

• (1805)

I would be ashamed if I had approved a decision that caused so much misery. So many children hear their parents arguing at night about where they will find the money, the \$2 they need to pay for

Supply

their kid's lunch at school the next day. The members opposite never talk about this. No, because most of them are rich. They know nothing about being hungry. They need to learn what it is to be hungry.

[*English*]

I want to talk about Albert county. People in Albert county which is an hour's drive from Moncton need the same amount of hours as someone working in Moncton. They are down to 18 weeks for the benefit period. I have workers who will be out of employment insurance in January. Those are the workers who qualified. Many are not going to qualify at all because they need the same amount of hours as someone living in Moncton and the minister says this is good. We have proved to the minister a number of times that he is wrong. His arguments do not stand up. He needs to change it. A lot of people in Albert county are suffering because the Liberal government does not want to admit that it makes mistakes. It is making mistakes that are costing lives. How many people are committing suicide because of their difficulties?

We also have to talk about the unfair accusations of fraud because people make a mistake on the form. Even though the Canada employment centre has not paid them one penny, if they happen to not put the right amount on their form they will be charged with fraud. Someone explain that to me. This was drawn to my attention on Friday.

People opened a claim, did the waiting period, kept their claim open, reported their hours and earnings, reported an amount and the Canada employment centre did not give them an EI cheque. If there is a discrepancy, even though the government has not paid them a cent, they are accused of fraud and have to pay the difference between what they actually made and what they reported. It is armed robbery. That is attacking the unemployed, attacking honest people who could make a mistake. A lot of honest people are being accused of fraud. This has got to stop.

It is time to wake up. There is a lot of legislation out there. We have to wake up and show the Liberals that this cannot continue. There is just too much poverty.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I just figured out why the hon. member for Beauséjour—Petitcodiac got elected. She has become a seasoned speaker but, more importantly, she is a person who tells the truth, who describes what is going on in her region, who has heart and tells it like it is in this House.

There is a message in there for the Liberal majority. This member defeated Dominic LeBlanc, the son of the Governor General of Canada. In the neighbouring riding, Doug Young, the

Supply

sponsor of this EI reform, was also defeated. I think these two men personify the Liberal Party's arrogance in the maritimes.

We will not rewrite history, but I would nonetheless call upon the members who will participate in the vote on this motion tonight or tomorrow to think it through, especially those living in high unemployment regions, as well as any member with constituents who, as a result of the small weeks program, receive ridiculously low benefits that are practically impossible to live on.

At the same time, they hear that there is a \$20 billion surplus in the EI fund, that running the small weeks program costs between \$100 million and \$125 million a year, or 0.5% of this surplus, and that the government is responsible for the increased poverty across Canada. I think they get the message.

If they do not send a clear message to the contrary very soon, the Liberals will pay the political price, and deservedly so.

• (1810)

Ms. Angela Vautour: Mr. Speaker, I agree that we should be clear. The pilot project has to go on, and the legislation needs to be amended. If you think we have a poverty problem now, just imagine what it will be like if the government decides not to extend the pilot project.

Some people work part time all winter long. It is not true that these people all end up in the tavern drinking all winter long. That was what the Prime Minister said, and he was quite pleased with himself, when he came back here. These people work during the winter when they get a chance. If the pilot project disappears, these people will be penalized. I cannot understand a government that goes on stomping on people who are in dire straits. It is the only thing it can think of.

Keeping the pilot project alive is not enough. We also need a comprehensive review of the program. Some employers have come to realize this. They have started calling us on the phone and they tell us: "Employees are being penalized. I cannot hire workers anymore, and I do not blame them". People are getting cheques as low as \$65 right now. If the pilot project disappeared overnight, they would get big weekly cheques of \$5.

I cannot believe we have to fight the government over this, because we have all the evidence we need. We are told to wait for the reports, to wait for the studies. Send the Minister of Human Resources Development to our region, and he will get his report.

[*English*]

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, I was hoping that everybody in the country could listen to that. Then they could understand exactly what goes on when we fool around with the EI concerns.

First of all I would like to bring greetings from the hon. member for Acadie—Bathurst who unfortunately could not be here today.

It appears that this motion at the outset seems to be an act of desperation. Because of all the changes to the EI legislation since the Liberals got into power, this is the kind of motion one has to figure out.

The Acting Speaker (Mr. McClelland): I am sorry for interrupting but I first needed to be assured that both the member for Beauséjour—Petitcodiac and the member for Sackville—Eastern Shore were splitting their time. I thought that had been made clear but I was not sure.

Mr. Peter Stoffer: Mr. Speaker, earlier today in the debate the Minister of Human Resources Development said that he has not yet come up with a decision about the issue, but it is only three weeks away. We need a decision within three weeks. I should remind the House that one of those weeks we will not be here.

I have a feeling that typically, like the government did with the TAGS program, it will announce the program when we are not in the House to debate it properly. This is where things should be debated, in the House right here in Ottawa.

I want to talk about the Reform Party for just a moment. Every time we talk about EI concerns or anything of that nature, Reformers very quickly switch the debate to tax breaks but not once do we hear them talk about a reduction of the GST-HST. All they wish to talk about is taking EI funds from workers and employers so their corporate friends can enjoy further tax breaks. They want to take that money from workers and employers.

The remarkable thing is that the Reform Party constantly talks about Atlantic Canada as if it were a basket case. I am from Atlantic Canada and it is not a basket case. The fact is we have some very serious problems. We have some very serious concerns, but as everyone knows after the Swissair disaster, Atlantic Canadians and especially Nova Scotians are some of the finest people in the entire country. Atlantic Canada is not a basket case.

Shortly after the last EI reductions were brought in last year by the finance minister and the human resources minister, I think to the tune of \$1.4 billion, the finance minister went to Halifax to speak to the chamber of commerce. They said that he had not reduced it enough and that he should have given them a further reduction in EI premiums. The finance minister in his wisdom said "If I reduce it another 20 cents, how many jobs would you people create tomorrow?" The entire chamber of commerce was silent. They could not guarantee one extra job if the EI premiums were reduced another 20 cents. They could not do it. Yet the Reform Party stands here with its right wing policies and says that if EI premiums were reduced, all these jobs would be created.

• (1815)

I would like to tell the Reform Party that if it wants to give tax breaks to people, then reduce the GST and the HST. That would be

the biggest job creator for every single Canadian in this country from coast to coast to coast.

We never hear Reform Party members talk about reports or objective concerns from labour. They never discuss the concerns that come out of the CLC, the CAW, the PSAC or the FFAW.

The Acting Speaker (Mr. McClelland): I am very sorry to interrupt, but the time has expired.

It being 6.15 p.m., pursuant to order made earlier today, the question is deemed put and a recorded division deemed requested and deferred until Tuesday, October 27, 1998 at the expiry of the time provided for Government Orders.

ADJOURNMENT PROCEEDINGS

[*English*]

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

FISHERIES

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I am pleased to speak tonight on an issue of grave importance to my riding of Pictou—Antigonish—Guysborough and, in particular, Guysborough county.

It is an issue that I have vigorously pursued with the Minister of Fisheries and Oceans through personal interventions, correspondence and, as well, through statements and questions in this House.

The issue is this Liberal government's continued refusal to work with the fishery workers in communities such as Canso and Mulgrave to ensure that these communities remain economically viable.

Although the government's treatment of Mulgrave and ACS Trading has been extremely disgraceful, I am going to focus my comments tonight on the community of Canso and, in particular, on the efforts of the Canso Trawlermen's Co-op which has been championed by Pat Fougere.

This is an extremely timely adjournment debate because this coming Saturday there is a large public meeting taking place in Canso on the future of the fishery in that community.

Canso is the birthplace of the modern era fishing industry. I say this out of respect for our First Nations fishermen. Since 1504

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when Basque sailors first set up camp on Nova Scotia's shores, Canso has been known as the hub of the commercial fishery.

In more recent years, despite the overall downturn trend in the Atlantic fishery, the Seafreez company has been operating a processing plant in Canso in which a number of species are utilized.

I am pleased to highlight that it was through the efforts of former Progressive Conservative governments, both federally and provincially, that Seafreez commenced operations in Canso.

To cut right to the chase, the Canso Trawlermen's Co-op has developed a proposal in conjunction with Seafreez to catch an additional 2,200 tonnes of northern shrimp out of the additional 7,000 that the Government of Canada was planning to allocate this spring.

The Minister of Fisheries and Oceans denied the application from Canso, as he did for three similar applications from Nova Scotia ridings, including the riding of Bras d'Or. The minister's trite answer at that time was "The fish come first".

While nobody would take away from the importance of conservation, least of all the Canso Trawlermen's Co-op, the fact is that the Minister of Fisheries and Oceans decided to allocate every single additional tonne of northern shrimp quota to Newfoundland and Labrador, pitting two regions in the country against one another.

Nothing was given to Nova Scotia. Nothing was given to a community that has nearly 500 years of tradition at stake within the fisheries. So much for Liberal fisheries policy that is based on fairness and equity.

I do not know whether fish actually come first with the Minister of Fisheries and Oceans, but I do know who comes last with this minister and that is the people of Nova Scotia and, most notably, those of Canso.

The Canso Trawlermen's Co-op has made more than 50 requests to meet personally with the Minister of Fisheries and Oceans. They want to advance their cause. They want to put a face to the disastrous consequences of the minister's decision. They even travelled all the way from Canso to Ottawa so they would have a chance to meet with the minister, but did not get a chance to meet with him.

Did he have the courage to meet with them face to face? No. I have repeatedly urged the minister to meet with them in Canso and again his answer has been no. Even the premier of Nova Scotia, a former colleague of the Minister of Fisheries and Oceans, has asked the minister to meet with the co-op. Again his answer was no.

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It is further proof that the current premier of Nova Scotia has no clout with his former Liberal friends and is therefore of no great use or advantage to Nova Scotia.

Who does the Minister of Fisheries and Oceans think he is when he will not show the decency to meet with hard-working people like those from Canso? Pat Fougere of the Canso Trawlermen's Co-op said that the minister demonstrated complete disrespect for the area's fishermen and that he must take responsibility for the slow death of the fishing community in Canso.

Pat Fougere is absolutely right.

• (1820)

As I said, there will be a meeting in Canso on November 1. Members of the provincial government, representatives of DFO and other community leaders will be present. I urge and challenge the Minister of Fisheries and Oceans to have the courage and the guts to show up at that meeting and tell these people to their faces what their future will be if his decisions are not changed in the near future.

Mr. Wayne Easter (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I am aware and I fully understand the concerns of some Nova Scotia communities with respect to their lack of fishing opportunities. However, this is not just a Nova Scotia phenomenon. Every year DFO receives many requests for access to various fisheries from people in similar situations. The total allowable catch, TAC, increases in the northern shrimp fishery announced in May 1998 were allocated according to principles which were developed for the Department of Fisheries and Oceans, stakeholders, the Atlantic provinces and Quebec to ensure that the benefits of the fishery were shared in a fair and open manner as possible.

As one of these principles is that those adjacent to the resource will have priority in fishing the resource, new entrants from Nova Scotia, New Brunswick and P.E.I. were not included in the temporary sharing of northern shrimp. Nova Scotian interests received a share of the increase through existing licences held by Nova Scotian companies, which represent two and a half licences out of seventeen. The existing licence holders received 90% of the increase off northern Labrador and 10% of the increase off eastern Newfoundland.

Fishing communities in Newfoundland and Labrador, northern Quebec and the lower north shore of Quebec benefited from the increase. In addition, those who received temporary access in 1997 received the same level of quota in 1998. The traditional offshore fleet also shared in the quota increases.

Following the May 15th announcement, DFO approved temporary sharing of the gulf shrimp and Scotian shelf shrimp resources with fishermen in Nova Scotia, P.E.I., New Brunswick and Quebec. The sharing in these fisheries was also consistent with the principle

of adjacency, with access based on the department's sector management policy which governs the access of inshore vessels.

[Translation]

MILLENNIUM SCHOLARSHIPS

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, on May 8, 1998, I asked the Deputy Prime Minister a question. He answered that there were ongoing negotiations about the millennium scholarships. In particular, he said, and I quote:

We are trying to arrive at an agreement to co-operate with the provincial government, and our negotiations are continuing.

We know today that all that was simply a smoke screen, and that the federal government, at the urging of the Prime Minister, had decided that the millennium scholarships would be established in spite of the opposition: against the wishes of the Quebec government, against the wishes of the Quebec student federations, against the wishes of the Canadian student and university federations, which today still ask that they be turned into something else.

Two and a half billion dollars were set aside for the millennium scholarships. Quebec's share is thus some \$600 million. At the same time, transfers to the provinces were cut.

Quebec has the best student loans and scholarships system in Canada. That is recognised by all the players. In fact, it is the only system where scholarships are given based on financial need. There are also loans that are provided based on financial need.

As for the Canadian system, it provided loans only. This has created a much higher debt load for Canadian students. In Quebec, there is a consensus that this \$600 million should be reinvested in the system.

Of course, Mr. Charest came and softened the position of the Liberal Party of Quebec. As we know, Mr. Charest does not have any constitutional demands. He has no demands for Ottawa. Besides, the Prime Minister told him so very clearly.

• (1825)

Saturday, the Prime Minister of Canada put it back in his face, saying "What do you think Quebec needs? My ally in Quebec, Mr. Charest, tells me he needs nothing." That is a problem we face.

But everyone in Quebec still wants this money to be returned to Quebecers, to the Government of Quebec so that it can invest it in accordance with its priorities.

Out of this \$600 million, Quebec could invest \$20 million in the Lower St. Lawrence region that I represent. We could use the \$20

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million to better purpose in our schools, in our colleges, by allowing them to offer professional options better suited to the new economy, to offer agricultural programs on new production methods, on all sorts of very important sectors.

The millennium scholarships program is probably the measure that shows most clearly the government's centralising approach, but we still hope to see the government back down, and give the money back to the provinces, which are the real experts in education.

Is it possible to make the government see reason, to make it reverse its decision and give the money back to Quebec, thus allowing Quebec's educational institutions and students to redistribute the money in accordance with their needs and not to use the money for scholarships based on merit that nobody wants in Quebec?

[*English*]

Mrs. Brenda Chamberlain (Parliamentary Secretary to Minister of Labour, Lib.): Mr. Speaker, I am pleased to respond to comments made last May by the member opposite on the millennium scholarships.

My colleague raised comments made at the time by the three largest employer organizations in Quebec on the scholarships and on the constitutional jurisdiction of Quebec.

The Government of Canada recognizes that education is a matter of provincial jurisdiction. We are not interested in stepping into provincial jurisdiction in terms of education. What we believe strongly about is helping Canadians have proper access to the good education and the knowledge provided by the provinces. That is why we introduced the millennium scholarships. We have always stated that the enabling legislation offers all the flexibility needed to meet much of what Quebec wants.

The millennium scholarships will be managed and delivered by an independent foundation that will work closely with the prov-

inces to establish criteria and to avoid duplication with what the provinces are already delivering.

The foundation will be undertaking consultations over the next few months with the provinces and the educational community to increase access to post-secondary education everywhere in Canada for low and middle income Canadians in a manner that avoids duplication and builds on existing provincial programs and processes. This makes good sense for students, for the provinces and for Canada.

Quebeckers should feel confident that the millennium scholarship foundation will act responsibly and will work with all the provinces in a way that will avoid duplication with provincial systems. Jean Monty, the president of the foundation, is a well respected and responsible individual. We are confident he will work well with all provincial governments, including the Government of Quebec, to ensure students have better access to education provided by the provinces.

The foundation will make every effort to establish the millennium scholarships in a manner that respects the needs of each province, including Quebec.

I urge the hon. member to recognize that both orders of governments have a role to play to increase the equality of opportunity for Canada's young people. Through partnerships we can achieve results which are beneficial to all Canadians, each and every one of us.

The millennium scholarships are not about jurisdiction. Rather, they represent Canada's unique way of celebrating a new millennium by investing in all Canadians and their future.

[*Translation*]

The Acting Speaker (Mr. McClelland): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.28 p.m.)

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