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Monday, April 26, 1999

Speaker: The Honourable Gilbert Parent

CONTENTS

(Table of Contents appears at back of this issue.)

HOUSE OF COMMONS

Monday, April 26, 1999

The House met at 11.00 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

● (1100)

[English]

NATIONAL AGRICULTURAL RELIEF COORDINATION ACT

Mr. Rick Borotsik (Brandon—Souris, PC) moved that Bill C-387, an act to establish a national committee to develop policies and procedures to ensure coordination in the delivery of programs by governments in the case of agricultural losses or disasters created by weather or pests, the coordination of the delivery of information, assistance, relief and compensation and study the compliance of such programs with World Trade Organization requirements, be read the second time and referred to a committee.

He said: Madam Speaker, I am very pleased to rise today to speak to a private member's Bill C-387 that was submitted. Unfortunately, it was not deemed to be votable by the committee.

However, I will put the House on notice that I too will re-submit the bill in a different form, and I will re-submit the bill in a different form, and I will re-submit the bill in a different form until it does have the opportunity to have a vote in the House. I feel very strongly about this issue which obviously resonates with the farm community across the country. It certainly resonates with the constituents who I represent in the constituency of Brandon—Souris and the farmers who produce the food for Canadians across this great country of ours.

● (1105)

I would like to begin the debate today with an excerpt from a letter that was sent to the minister of agriculture on February 15 from the national safety nets advisory committee during the negotiations surrounding the AIDA program. It states:

The majority of the National Safety Nets Advisory Committee would like to express its disagreement with Agriculture Canada and provincial governments regarding the changes they intend to make to the Farm Income Disaster Program. The committee does not support the program as it is currently designed. . . . We are seriously concerned about the precedents which these decisions set on for the next round of Safety Net negotiations. The program as designed now no longer provides sufficient support to farmers facing a crisis.

That letter came to the minister from the minister's own appointed national safety net's advisory committee.

The minister and the department of agriculture decided on their own to make some substantive changes to the recommendations that were put forward by the safety nets committee. Those changes included the aspect of negative margins not being covered under the new AIDA program. It suggested that NISA had to be drawn down prior to any access to the AIDA program. It dealt with a three year averaging as opposed to a five year averaging, or perhaps even longer as is the case with a lot of provincial programs. This was done completely without the input of the national safety nets advisory committee. It was done ad hoc by the department.

If only the minister of agriculture had actually listened and acted on the words of the committee, perhaps he would not be facing the criticism he is now facing with respect to the AIDA program. The minister dropped the ball on the design and delivery of the AIDA program so badly that the producers and producer groups, such as the Canadian Federation of Agriculture, have completely lost trust and faith in the minister and the government's commitment to agriculture.

In a move last week, after my party meeting with key industry stakeholders, the CFA decided that it was going to form its own advisory committee and take steps in discussions that the minister has so far failed to do.

This issue is particularly important now given the fact that the minister of agriculture, in a letter on March 24 to the standing committee on agriculture, said:

It is the intent that over the course of the calendar year 1999, we will establish a new direction and enter into new agreements with the provinces on the longer-term direction for agricultural safety nets.

It is important that these discussions begin immediately with the input of all industry stakeholders. It is vital that there be more transparency and fairness in the process.

That was a quote from the minister asking for transparency, negotiations and consultation. The very stakeholders who he wishes to consult with have now said that they will set up their own program, their own safety nets advisory committee because they do not trust the agriculture minister to put forward what they believe are the right, fair and equitable programs.

Furthermore, world trade talks start again in November. The Americans and the European Union will again beef up their subsidies on agriculture to strengthen their positions at the talks. Canadian farmers are going to be caught in the middle and the need for a long term safety net strategy will again become readily apparent. The time to put these in place is now.

I want to be perfectly clear. An advisory committee can work in the future if it includes representation from all three levels of government. The federal government, the provincial government and stakeholders must have representation and must be given more power to make recommendations to the minister. Bill C-387 would do just that.

Whether it be the ice storm of January 1998, the floods in Manitoba and the Saguenay or the droughts in Nova Scotia, it is more often farmers who are hit the hardest financially. When natural disasters occur through weather and pests, or agricultural losses through falling commodity prices, the federal government must take a more proactive than reactive approach and start developing policies in advance that benefit our producers in good times and in bad.

• (1110)

The purpose of my private members' bill is to help the government in doing just that. The bill would create a committee that would assist the minister of agriculture in developing policies and procedures to ensure the coordination between different government authorities with respect to the delivery of information, assistance, relief and compensation.

The committee would monitor situations on an ongoing basis and discuss what income protection measures are available to farmers in the event of disasters or unusual conditions caused by weather or pests, taking into account such areas as crop insurance, flood and draught protection programs and NISA.

The committee's mandate could and should be expanded to include monitoring the effects of the low commodity prices on the agricultural industry and the primary producer's farm income. The committee has the power to create subcommittees, much like our standing committees, to pursue such ideas.

The committee would also investigate and advise the minister on the compliance of any income assistance program with the WTO requirements. The act would be cited as the national agricultural relief coordination act.

The committee would consist of a membership of up to 21 members: three nominated by the minister of agriculture: one nominated by each provincial agricultural minister; five should be representatives of farmers and be nominated by such organizations representing farmers; and three should be representatives of industry related to agricultural products and be nominated by such organizations representing the industry.

The last example of an ad hoc assistance program, the AIDA program, was done behind closed doors with the bureaucracy of the department of agriculture. The model was put forward and, after the fact, the minister of agriculture went out to sell it to the provinces. As we recognized, a number of those provinces were not terribly receptive to the program model that was put forward by the government.

Does it not make sense that the 10 agricultural ministers should have a say in how agriculture is going to be dealt with in their own provinces? Does it not make sense that rather than forcing a program onto the provinces that those provinces should be part of the negotiating process to put the program together in the first place?

We had many problems when AIDA was first unveiled. The problems, quite frankly, were due to a lack of communications and the ability of the federal and provincial governments to work together. This speaks to the lack of co-operative federalism that I see is so very important in trying to work with the provinces. I was told this did not happen because the provinces would not work with the federal government. That comment came from a federal bureaucrat.

My answer to that comment is: Does that not cry for leadership? Should there not be leadership at the federal level that will bring the provinces together so that they can all agree on a package, on a program, on a philosophy and on a vision for agriculture? Or, is it simply best to have a federal government design the program and then force it on the provinces? It does not work nor does it speak to the bigger issue as to where we should be heading in the next decade or two decades and the philosophy that we should share for agriculture in this country.

As members are aware, there already exits a national safety net review committee. My bill is an extension of that committee, expanding the role, power and membership in the committee. This bill would give an advisory committee more teeth, more power and more ability to react and act in a positive fashion. It would create a more permanent committee rather simply an ad hoc committee that is created at the whim of the minister and legislates the tabling of its reports before parliament.

No longer can the minister simply strike a committee and then disband the committee at whim based on the old political optics of

the day. This bill would put into place and legislate the requirement

of this committee with criteria and ground rules and with the ability to make a difference.

It is clear that the current advisory committee has not been able to have the desired impact on the safety net process. Farm organizations spent a significant amount of time developing the efficient disaster relief program during the farm income crisis through the current national safety nets advisory committee.

● (1115)

At the end of the day most of the recommendations were not taken into account when the Minister of Agriculture and Agri-Food designed the AIDA program. What a waste of time when in fact the people who really understand and know the issues are not listened to. This has to change. Our industry has told politicians time and time again that we need to re-evaluate our income protection system for farmers.

The recent discussion surrounding the agriculture income disaster assistance program of the minister of agriculture is just one example of the need for a strong advisory committee with actual power to help in developing the policies and coordinating assistance programs.

The Canadian Federation of Agriculture stated in a letter addressed to me:

The farm community has lost confidence in the process by which provincial and federal governments negotiate. If the farm community is to regain its confidence in the safety nets debate of the future, a more honest, open relationship between industry and government has to be developed. Therefore, the Canadian Federation of Agriculture is supporting your proposal to establish a national committee to develop policies and coordinate the delivery of federation programs.

Furthermore, in a letter to the Minister of Agriculture and Agri-Food dated March 17, 1999, the CFA stated:

-a transparent process should be developed including consultation with all parties and full disclosure of all information. Therefore, we encourage you to create a committee composed of federal and provincial representatives, and farm organizations that will examine the safety nets package and identify different options.

That is exactly to what the bill speaks, exactly what not only the CFA but farm organizations across the country need: open and honest transparency where in fact we can sit down, share opinions with others and develop what is necessary for agriculture, not only for today but for the future.

Bill C-387 speaks to the concerns raised by the CFA for more transparency and disclosure of information. In fact the bill specifically calls for all reports to be laid before parliament, not the situation and certainly not the case right now with the national advisory safety nets committee.

Private Members' Business

That being said, it is also important that we emphasize the word consistency when we talk about coordinating assistance programs. This committee would work toward alleviating any problems with achieving consistency in the delivery and co-ordination of assistance programs.

There must be consistency in determining the level of assistance. It should not simply be based on the amount of publicity a disaster gets. Ad hoc programs provide ad hoc solutions. With the environmental and climatic changes that this country and the world are undergoing, it is vital now more than ever to monitor these issues on an ongoing basis and develop consistent policies which would help farmers deal with these changes both financially and realistically.

Consistency is the key word here. One of the problems that we have when we deal with ad hoc programs, whether from a natural disaster perspective or from a commodity price perspective, is that we must be consistent among the regions. One region cannot be pitted against another one. We cannot just simply say that because there is more publicity for this area there has to be a difference in program. The programs must be developed so that they are equal and have some equality within regions. It is important that this tripartite committee be struck to do just that.

I thank the House for the time to put forward Bill C-387. I can also suggest that not being a votable item this time it will be put forward again in committee. Next time I hope it is votable so that the House can have a say in what happens.

Mr. Joe McGuire (Parliamentary Secretary to Minister of Agriculture and Agri-Food, Lib.): Madam Speaker, I remind the House and the proposer of the bill that there is such a thing as short term memory and I think quite a few people are suffering from that.

We have to remember that the AIDA program was put in place principally by the leadership of the federal government responding to the crisis in the farm community and with consultations with the provinces and consultations with the safety nets committee, cochaired by the past president of the Canadian Federation of Agriculture.

• (1120)

I remember the day we announced our share of \$900 million to go along with the provincial \$600 million for a two year \$1.5 billion program. The co-chair of the national safety nets committee, then president of the Canadian Federation of Agriculture, wholeheartedly praised our efforts. He said this was done in record time, responding to the needs of the farmers from one end of Canada to the other on a farm by farm basis regardless of province.

It would be whole farm and viewed as non-controversial by the World Trade Organization. It fits with the agreements we made with the World Trade Organization. When we got our \$900 million

in place intensive negotiations went on with the provinces. As a result all provinces with the exception of Nova Scotia joined the program.

The money has been flowing from the provinces that have disaster programs of their own. Money has been flowing to the farmers and provinces that did not have a provincial disaster program in place. Money will be starting to flow—it has been accelerated—this Friday, which is four to six weeks earlier than predicted by everyone involved in the process.

The federal government has responded by setting aside \$900 million. In the last budget it was accelerated to \$600 million this year, in response to the needs of the farming community in the country.

An hon. member: Are you going to spend it?

Mr. Joe McGuire: We certainly intend to spend it. If there is a disaster on any farm in Canada, through the triggers that have been negotiated people will get disaster funding.

By this Friday every province will be in receipt of some money. The money will begin to flow from the federal and provincial organizations in response to the serious situations on many of our farms across the country, especially in the province where the hon. member is from.

The government does not just wait for problems to arise. It will assist Canada's farmers. We are continually working in partnership with the provinces and industry to help producers prepare to meet the challenges of the future.

The classic example of this is whole farm safety nets. The federal government has signed agreements with all the provinces. We have a set of safety nets in place that are fully equitable, will minimize trade and economic distortions, and take provincial and regional interests into consideration.

The cornerstone of the safety net system is NISA, the net income stabilization account. This is a volunteer program that provides a source of money for farmers when their income declines for whatever reason.

NISA is a well regarded program but the government is also committed to improving on the system currently in place. The Minister of Agriculture and Agri-Food, along with the provincial ministers, are reviewing the current system and considering carefully how we will deal over the longer term with situations where exceptional circumstances seriously affect the incomes of farmers. He has said that he wants to give farmers a whole farm safety net system that provides security but does not mask the natural signals of the marketplace.

There are a number of complex issues the ministers are trying to address, including whether the funding allocated is the right one and whether the mix of programs meets the intended objectives. Ministers will continue working on the issues when they meet in Prince Albert this July.

I also add that the Government of Canada is well aware of the need to meet our international trading commitments. Our farmer assisted programs are designed and implemented with these commitments in mind. We are committed to providing support and management tools to assist our farmers within the rules of the WTO, just as we ask other nations to do.

As a medium size trading nation we are committed to a rules based trading system. Canada is also going to the upcoming WTO negotiations intending to reduce trade distorting support and protection measures around the world so that our producers can compete on a fair and level playing field.

(1125)

We have been doing everything we can to make sure we hear from all parts of the agrifood industry about their interests going into negotiations before we announce an initial negotiation position for Canada this summer.

Over the past two years there have been regional meetings, hearings by the House of Commons standing committee and the Senate agriculture committee, and both the Minister of Foreign Affairs and International Trade and the Minister of Agriculture and Agri-Food have held extensive meetings with key industry groups.

Just this past week there was a major conference attended by some 600 representatives of the agriculture and agrifood sectors and the provincial and federal governments to pave the way toward a strong initial WTO position. We are now well on the way to developing a negotiating position that the provinces and all sectors of the industry can support. Our aim is to ensure Canada continues to have economically viable agriculture and food sectors.

The co-operative approach to farmer safety nets and international trade that we have been pursuing since the government took office has proven to be highly successful in the past and will stand us in good stead for the future.

Bill C-387 would not improve our ability to plan for the future, either in the development of farmer support programs or in dealing with the requirements of the WTO. For these reasons, and those outlined by my hon. colleagues, the government does not support the passage of this bill.

Mr. Jake E. Hoeppner (Portage—Lisgar, Ref.): Madam Speaker, it is a pleasure to rise in the House today to talk to Bill C-387.

The hon. member for Brandon—Souris has a lot of good points in the bill, but many of these issues have already been addressed.

There is legislation in place to enforce some of these issues but governments in the past have failed to listen.

The safety net review committee and advisory committee are there to suggest to governments what should be happening as far as the three lines of defence are concerned.

The first line of defence is the crop insurance program, of which every farmer is aware and is making use. The second line of defence is the NISA program, which is very valuable to older farmers especially who are in a profit position. NISA does not help address the issue of young farmers who have just started out and whose revenue has not been such that they could make use of NISA.

The Liberals claim that in record time they set up the third line of defence. The AIDA program is probably a joke, as far as I am concerned. I was in my constituency for the last couple of weeks during the Easter break and did not find one farmer who would qualify for any aid from this program at all.

When I talked to farmers, they asked me whether I could at least tell the banker that something is coming. This is not bankable. The Liberal government promised before Christmas that the AIDA program would be bankable. No banks will look at it today.

Everyone with whom I talked in my riding had looked into the AIDA program, had gone to accountants who did a summary. They are wasting their money. It will cost from \$500 to \$1,000 to fill out the forms for this AIDA package. After that they probably will not recoup the costs of the accountants doing the job. People are not even filing them because they are so ridiculous.

The AIDA program has been designed for a few corporate hog farmers. If the Liberal government does not realize that, it better go to western Canada and find out. It has been invited a number of times by Saskatchewan farmers to come clean and come to talk to them about the AIDA program. Nothing has happened. Not even the parliamentary secretary has agreed to come to talk to them.

If the AIDA program is the third line of defence, God help those farmers. They will die before they ever get a dollar out of the AIDA program.

The government has been warned about this for the last five years by Reform. We told the government in 1993 that all the subsidies on the rail transportation system when done away with should go into some kind of trade distortion program with which farmers could fight the huge subsidies thrown at them by the Americans and the Europeans. This program will do absolutely nothing to resolve that problem. We need a long term fix for farmers in which they can participate. We must design it so it is useful to them, so that in good years they can build up an account

on which they can draw in later years when there are poor crops or when prices drop to the point where it is not profitable to farm.

• (1130)

I will touch a bit on the Canadian Wheat Board. For the past four or five years I have tried to bring in a private member's bill to have the auditor general audit the Canadian Wheat Board and to make sure farmers get a proper price for their grain. I must thank and congratulate the auditor general. A week ago Saturday the wheat board announced that the auditor general would have a look at the books, that he would do a value-added audit, more or less, to see whether farmers are getting a fair price. The auditor general has finally heard the cries of western farmers that we need something done with the auditing of the board so that we can respect the board and have confidence in it.

About 100 farmers are willing to go to jail and this government is prosecuting them and putting them in jail because they have sold a few bushels of their own wheat, in some cases as little as five bags. And the government is talking about providing a safety net program? Maybe being behind bars is a better livelihood than being on the farm today. At least there they get food and clothing.

I do not know what the government is trying to do by prosecuting these farmers for selling their own product while we have sex offenders and robbers running loose on the streets. Are these farmers violent criminals because they have taken four or five bags of grain across the border to demonstrate that they want some accountability in the wheat board? Is that such a criminal act? If that is a criminal act, we should probably all be behind bars. I am sure that every member of this House has objected to some type of mechanism that is set out and that we have to abide by. Income tax is one of them. When I hear of the amount of income tax that is funnelled out through loopholes in the tax system, maybe every government and opposition member should be behind bars because they are objecting to overtaxation in the country.

I do not know what is going to be accomplished by Bill C-387. The idea is good. I can support it and I know this type of idea has been floating in the agriculture community for the past 10 years. I have talked to people who sat on the advisory board who were designing the third line of defence. The AIDA program does not have the character which people want in a third line of defence. They want a line of defence in which they can be participants in terms of designing it and establishing a fund.

The AIDA program is really doing nothing. I have held nine town hall meetings in my constituency. People have been phoning me, telling me that they do not qualify. What kind of line of defence is it if they cannot qualify when grain prices have gone from \$5 a bushel to barely \$3 a bushel? That is almost half the price, while input costs are still rising. Every year there are input costs for fertilizer and machinery. We hear again that there has been an increase of three to four cents a litre in fuel prices.

How are farmers supposed to continue when they have no marketing power? They cannot add one single cent of their costs to their product. They have to accept what the market will offer them. This is very discouraging for farmers. I see more young farmers having auction sales this spring than I have ever seen before. It is not the older farmers who are debt free and who can work on their savings for another year or two; it is the young farmers who over the past four or five years have risked everything and who are now at the point where they cannot dig themselves out, even if they have three or four good crops and good prices. They are disillusioned with the whole agriculture sector and with the income their families receive, so they are throwing in the towel.

The government better realize that. If we lose this generation of young farmers there is going to be a real problem in the country. It will not only affect the farming industry, it will affect any one of the agri-processors or agri-businesses: machine dealers, fuel dealers, pasta plants, millers, whatever.

• (1135)

When \$1 is taken out of a farmer's pocket the community loses at least \$5 or \$6 of economic value. That is why the farming industry in western Canada has shrunk. We have about half the farmers now that we had two decades ago. If we want to continue this, let us simply follow the former Conservative and Liberal governments with their safety nets and we will have the situation very quickly where there will be no farmers.

[Translation]

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Madam Speaker, I am pleased to speak today on Bill C-387, at the request of my colleague for Louis-Hébert.

The purpose of this bill is to establish a national committee to administer government programs relating to disasters, or in other words any agricultural losses created by weather or pests.

The intention of my colleague for Brandon—Souris is praise-worthy and understandable, since it reflects the experiences of the farmers of his province as a result of natural catastrophes. As well, the Canadian west has suffered greatly from application of the agricultural income disaster assistance program, commonly called AIDA, which was recently introduced to compensate farmers who experienced drastic drops in income in 1998.

It is therefore obvious that our colleague's bill is a cry of alarm triggered by the government's inefficiency. For a number of farmers, it is a real tragedy to see a new growing season approaching when they are already deep in debt and now have to lay out sizeable amounts for fertilizers and seed.

No one in this House with any familiarity with agriculture is insensitive to the crises experienced by farmers who have unfortunately not yet received any compensation. The complexity of the AIDA program, based in part on the farmers' income tax returns, ends up doing more harm than good, in the short term.

Will the Bloc Quebecois be moved by this sad state of affairs to support the bill introduced by the member for Brandon—Souris? No, because we do not think that the solutions put forward in this bill will help Quebec farmers, and our reasons are twofold.

First, there is the income security aspect. Quebec has its own program, which differs from that of Canada's other provinces, and it is not about to switch, because it wants to hang on to its autonomy in this area.

We have worked to improve our income security system. We are continuing to do so in accordance with our own needs and model. During our farm crisis, we did not wait for the federal government to take action, particularly when hog farmers were having trouble last fall. We were proactive and advanced the funds required to save Quebec's hog industry.

For us, the AIDA program ended up being an account to account reimbursement between the federal and provincial governments. Rather than introducing another bill, a look should perhaps be taken at what Quebec has done and its lead followed.

● (1140)

We have some experience of the disaster program. The flooding in the Saguenay—Lac-Saint-Jean region and the ice storm are still very unpleasant memories, and compensation is still not complete. The bill introduced by the member for Brandon—Souris offers no tangible solution to the problems people are experiencing.

One of the major problems is that the bill does not make it sufficiently clear who qualifies for compensation, and who is a full time and who a part time farmer. Through experience, Quebec has acquired expertise in acting quickly and effectively in disasters and does not want a slow acting federal committee to slow down its response time. It must remain a prerogative of the provincial government, within the framework of a partnership.

Quebec has no interest in supporting this bill, because it does not see the relevance of a committee comprised, unfortunately, primarily of the representatives of industry. It would mean that Quebec would be a minority member of the committee, whereas now it is totally autonomous.

We might ask ourselves why a national committee would come to the aid of farmers in the event of a catastrophe in addition to managing income security programs. Finally, the committee members would be appointed by the agriculture minister—another

danger—directly or indirectly on the basis of choices made by the representative bodies. We oppose this sort of practice.

My eminent colleague from Brandon—Souris mentions in his statement, and I quote "In providing aid to victims, the accent must be on consistency. A lack of consistency in assistance programs for farmers can only create division among the farmers of this great country".

Here again, we do not share his opinion. There must be clear and uniform rules in the application of legislation on catastrophes, and fairness. There is no consistency in agriculture. The value of land varies as does the value of the different crops. However, that the rules of the game must be the same for all, I agree with the member, who is skeptical of the scope of the publicity that often follows natural catastrophes.

In conclusion, we realize farm producers face problems, which must be resolved. And in this regard, the member for Brandon—Souris has shown his sensitivity towards farmers.

It is also true that, as pointed out by the president of the Canadian Federation of Agriculture, Bob Friesen, "the farming community no longer has confidence in federal-provincial negotiations. To restore its confidence in the debate on the protection of farm income, there must be more honest and open relations between the industry and the government".

For the Bloc Quebecois, the solutions proposed in Bill C-387 are not the most appropriate ones, since they would result in Quebec, and its farm producers, losing ground on the long road to autonomy and income security.

This reminds me of the scholarships that allow our students to pursue a post-secondary and university education. Quebec developed a system that is the envy of the other Canadian provinces. The federal government has found a way, in the context of the new millennium, to try to torpedo a program that works very well in Quebec.

• (1145)

When it comes to income security, three provinces have well defined rules in the event of a major disaster: Alberta, Ontario and Quebec. Quebec is ahead of the other provinces regarding this issue, because the Quebec government believes in income security for its farmers.

The hon. member for Brandon—Souris might consider putting pressure in that regard on the Government of Manitoba.

[English]

Mr. Dick Proctor (Palliser, NDP): Madam Speaker, I am very pleased to take part in this debate today on Bill C-387. I congratu-

late the shy, quiet and soft-spoken member for Brandon—Souris for his initiative. I only wish as well that this were a votable motion.

This is a very good initiative. It calls for the co-ordination and delivery of programs by governments in the case of agricultural losses or disasters created by weather or pests, the co-ordination of the delivery of information, assistance, relief and compensation and to study the compliance of such programs with the World Trade Organization.

The Canadian Federation of Agriculture president has stated in response to this that it supports the initiative on Bill C-387. The Canadian Federation of Agriculture feels that the farm community has lost confidence in the safety nets debate both now and in the future and it requires a more honest and open relationship between industry and government.

I am sure part of the initiative for this bill comes out of the meeting 26 in Regina that the Canadian Federation of Agriculture had back on February 26. It talked about the need to identify principles that are essential to initiate discussion for federal-provincial agreement on safety nets. This document is not a policy study but it suggests fair and transparent guidelines which are essential to establish a long term and predictable safety nets package.

I listened very carefully to the member for Brandon—Souris. It would not be my intention to be as hard on the minister of agriculture as the member was. I note last fall when we were discussing this program the minister of agriculture said a number of things publicly and privately. He said that it had to be a bankable program. He said it had to be a whole farm program. He said it had to be a long term program and that the application forms had to be easy to fill out.

By my calculations we have come out of this with one out of four of those. We have a whole farm program. But as my colleague from Manitoba has said, it is not a bankable program. The credit union manager in Dodsland is on the record as having said that. This is certainly not a long term program. It is a two year program which certainly is no one's definition of long term.

Despite the minister standing in this place last week and saying that only six forms have to be filled out, people that are in the accounting business for a livelihood say it is not just farmers who are dazed and confused by the rules governing the federal-provincial farm aid program. Professional accountants are saying that it is extremely complicated. It is so complicated a lot of producers may decide it is not worth the trouble and expense of applying for assistance under AIDA. One accountant also said that he hoped not but he thought it was probably going to happen.

I do not blame particularly the minister of agriculture for what has happened. I think that after December 10 the minister of

agriculture was snookered by other members around the cabinet table, probably by the Minister of Finance. They wiggled and squirmed and dealt so that NISA was included and negative margins were excluded.

• (1150)

I remind the parliamentary secretary, who I am pleased to see here today, of the meeting we had at the Agricore Founding Convention in Calgary last year. He along with the mover of this bill, the member for Brandon—Souris, were present. The Minister of Agriculture and Agri-Food predicted that the Government of Canada would be "very generous" when it came time to revealing the AIDA package. There are no farmers whom I have spoken with in the constituency of Palliser or in Saskatchewan who think this program is generous in any way shape of form.

As an aside, I met with the organizers of the rally in Bengough, the same group that organized the rally in Regina, on March 6. They were in my office on Friday. According to one of the organizers, he had found one individual who qualifies for some assistance. The amount is less than \$500, or less than the bill that he will receive from his accountant for this work.

That is why the Canadian Federation of Agriculture came out on December 10 or 11 and said that it was very pleased with this program. This was before it realized that the devil was very much in the details. On April 6 it went on to say:

The AIDA program. . is a labyrinth so complex that very few farmers will be able to reach the financial assistance at its centre. CFA continues to find new twists in how eligibility for coverage is calculated that only serve to exclude an increasing number of farmers and reduce the 70 per cent of support promised. After the math is done, the effective support may be as low as 40 per cent for some farmers.

The former president, Mr. Wilkinson, has said that it is not the third line of defence that they requested. The current president, Mr. Friesen, said that this program is more about saving money than saving farmers. It is not what they wanted and not how they wanted to work with the federal government.

The farm stress line in Saskatchewan is overwhelmed with the number of calls that are coming in from farmers. I want to read into the record a couple of extracts from the farm stress line as of February 4. There is an update that I will get to in a moment. It says:

We have noted an increase in the number of calls beginning in the fall of 1998. The Farm Stress Line has received 1,581 (calls) in 1998, representing the second highest number of calls in a year since the Line began in Feb. of 1992. Thirty percent of the calls received in 1998 related to farm financial issues. These calls may be considered as indicators of the crisis, but should not be considered as reliable statistical data.

Callers are bringing forward a wide variety of problems and issues, but it is apparent that financial issues dominate. Callers speak of cash flow problems, operating loans being at maximum with no ability to pay them down, and not being able to make land and equipment payments. Others speak of an inability to pay their utility bills, and

worry about services being cut off. They also worry about how they will put in crop this spring. We receive calls from families who are being pressed by collection agents, and others have noted little tolerance or leniency from lenders. Many of our callers feel that they have no control of their situation, whether it is commodity prices or input costs. This situation makes it very difficult for people to be proactive and to find solutions.

There was an update on April 5. It said that the farm stress line received 430 calls from January 1 to March 31. Of those calls, 37%, almost 160, were on farm finance issues. Callers spoke again of no money to put in the crop, inability to gain operating money or refusal of a loan.

Earlier in the year some callers made inquiries on the soon to be announced support payments. In February and early March as people became aware of AIDA they inquired about how the application form might be accessed. In March some called to express their anger at the complexity of the form and the need to spend \$300 or more to have an accountant determine if they qualified for AIDA.

In the majority of financial and/or insolvency calls, many said that they did not see a future in agriculture and were searching for other options. Options discussed have been either off farm income to support the farm operation or exiting farming all together. Some callers expressed the view that their employment options were limited and they required retraining, and it goes on from there.

• (1155)

These hit home. These are the very real issues that are of concern.

Just let me conclude by saying that we note the difference between what has happened south of the border and what has happened here in Canada. I want to read into the record the statement that the secretary of agriculture, Dan Glickman, made last fall, November 16 to be precise:

Factors beyond farmers' control, record worldwide production, weak Asian markets and merciless treatment from Mother Nature combined to depress prices and threaten the livelihoods of the very people we count on—

That is why this administration was resolute in its determination to get immediate emergency assistance to America's farm families.

We are asking where is that immediate emergency assistance for Canadian farm families?

Mr. Rick Borotsik: Madam Speaker, I rise on a point of order.

Will I get an opportunity to rebut and have a bit of time at the end?

The Acting Speaker (Ms. Thibeault): Yes, you will have your five minutes reply at one minute to 12.

Mr. Hec Clouthier (Renfrew—Nipissing—Pembroke, Lib.): Madam Speaker, I am pleased to take this time to talk about Bill C-387 and how our government is already working to help our farmers who face difficulties.

It is rather interesting to notice the member for Brandon—Souris who, in his rather expansive way that seems to match his ample girth, will say if only the Minister of Agriculture and Agri-Food of Canada would listen to the people.

Let me tell the entire House of Commons that the Minister of Agriculture and Agri-Food visited my riding, the great riding of Renfrew—Nipissing—Pembroke last Thursday evening and spoke to the Lions Club. It was farmers night for Renfrew county. During that time he listened to each and every concern that the farmers in Renfrew county had. He listened to them. They got their point of view across. The Minister of Agriculture and Agri-Food spoke rather eloquently and most passionately about farmers and the farming situation for over 25 minutes. After that 25 minutes when he opened it up for Q and A, there were no questions because he had answered each and every one of their questions.

The Government of Canada and all provinces have co-ordinated systems in place which are designed to help farmers—

Mr. Rick Borotsik: I am absolutely dumbfounded, speechless.

Mr. Hec Clouthier: I might add that we should on occasion try to help the opposition too. Perhaps we should muzzle them on occasion.

The systems are designed to deal with weather related disasters—I might say that the hon. member from the fifth party on occasion can be an unmitigated disaster; that is why he is sitting in the fifth party—and financial setbacks that are beyond their control. It is not their fault that they are in the position they are. In recent years the effectiveness of those systems has been amply demonstrated on several occasions.

For example, working in close partnership with the provinces, the Government of Canada gave badly needed assistance to farmers who were affected by the flooding in the Saguenay area of Quebec and in Manitoba's Red River Valley, as well as those who suffered losses due to the ice storm here in central Canada. We have also lent extensive expertise to farmers through Agriculture and Agri-Food Canada and organizations like the Prairie Farm Rehabilitation Administration.

Personally I do not believe that Bill C-387 would add anything to the government's ability to respond to the needs of Canadian producers.

We have a colleague in the House, the member for Dufferin—Peel—Wellington—Grey, who is our residential chicken expert. I notice the member for Brandon—Souris was talking about laying plans. The member for Dufferin—Peel—Wellington—Grey would

know only too well that the member for Brandon—Souris is laying one big egg when he makes these nonsensical remarks about Bill C-387. He is just a big yokel on occasion.

We will continue to look after one of the most cherished segments of our society, our farmers. We know what farmers mean to this country. The Liberal Party will continue to do everything it possibly can to ameliorate the situation for farmers and will not indulge in scurrilous rhetoric in which the member for Brandon—Souris indulges.

● (1200)

Mr. Rick Borotsik (Brandon—Souris, PC): Madam Speaker, I would like to thank members who spoke to this proposed legislation, with one exception. Everyone spoke in a very professional manner and certainly understood the issues, with perhaps the exception of the last speaker. The diminutive member obviously does not have a real handle on what is going on in agriculture today in Canada.

The parliamentary secretary spoke about short memories. Perhaps we could refresh his memory just a little, as the member for Palliser just did. The program that was originally proposed and supported by a number of people on the national safety net advisory committee suggested that there should have been negative margins brought into the equation. There should have been an opportunity not to have to take the NISA.

Maybe short memory is something the Liberal government recognizes. Its members have short memories as well. The parliamentary secretary stands to take credit for the NISA program, which he said was a great program. However, the hon. member does not recognize that the NISA program was brought in by another government and certainly not his party.

The hon, member has a short memory with respect to the GRIP program, which was a good revenue program. Unfortunately the government decided in its infinite wisdom to take some short term gain for some long term pain and it got rid of the GRIP program.

I would like to thank the hon. member for Palliser, once again, for putting forward what I thought was a very interesting twist on this issue. He understands the issues very well, certainly more so than the government. We know that the current program will not affect any more than probably 5% or 7% of producers. It is not working. The whole gist of the bill that I put forward concerns the fact that it is not working.

We need an organization, a safety net committee, that has the ability to bring all levels together so that we can look at the issues before us in a logical manner. That is not happening. Unfortunately, behind closed doors the programs are being developed. They are very shortsighted programs. They do not resolve the issues. There is no equity and consistency in these programs.

Why is the government so insistent on continuing in this foolish direction? Why would it not want to have some input from other people? Why would it not want to sit down to co-operatively develop a program and a philosophy for agriculture? I do not know why it will not do so. Perhaps it does not know how to work with other people and other parties. Perhaps it does not know how to work with other organizations. Perhaps it is the autocratic way in which the Liberals have formed this government.

This bill will come back and eventually perhaps even the department itself will have the ability to bring forward legislation to deal with this and make sure that we have some logical, well thought out policies.

[Translation]

The Acting Speaker (Ms. Thibeault): The time provided for the consideration of Private Members' Business has now expired and the order is dropped from the order paper.

GOVERNMENT ORDERS

[English]

PUBLIC SECTOR PENSION INVESTMENT BOARD ACT

BILL C-78—TIME ALLOCATION MOTION

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

That in relation to Bill C-78, an act to establish the Public Sector Pension Investment Board, to amend the Public Service Superannuation Act, the Canadian Forces Superannuation Act, the Royal Canadian Mounted Police Superannuation Act, the Defence Services Pension Continuation Act, the Royal Canadian Mounted Police Pension Continuation Act, the Members of Parliament Retiring Allowances Act and the Canada Post Corporation Act and to make a consequential amendment to another act, not more than one further sitting day shall be allotted to the consideration of the second reading stage of the said bill and, fifteen minutes before the expiry of the time provided for government business on the day allotted to the consideration of the second reading stage of the said bill, any proceedings before the House shall be interrupted, if required for the purpose of this Order, and in turn every question necessary for the disposal of the stage of the bill then under consideration shall be put forthwith and successively without further debate or amendment.

• (1205)

The Acting Speaker (Ms. Thibeault): The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Ms. Thibeault): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Ms. Thibeault): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Ms. Thibeault): In my opinion the yeas have it

And more than five members having risen:

The Acting Speaker (Ms. Thibeault): Call in the members.

• (1250)

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

(Division No. 386)

YEAS

Members Alcock

Adams Alcock
Assad Assadourian
Augustine Axworthy (Winnipeg South Centre)

Baker Bakonanos Barnes Bélanger Bellemare Bertrand Bevilacqua Blondin-Andrew Bonin Boudria Bonwick Bradshaw Brown Calder Cannis Caplan Catterall Chamberlain Cauchon Chan Clouthier Coderre Collenette Copps DeVillers Comuzzi Cullen Dhaliwal Dion Dromisky Drouin

 Drouin

 Easter
 Eggleton

 Finestone
 Finlay

 Fontana
 Fry

 Gagliano
 Gallaway

 Godfrey
 Goodale

 Gray (Windsor West)
 Grose

 Guarnieri
 Harb

 Harvard
 Hubbard

 Ianno
 Jackson

 Jennings
 Jordan

 Karetak-Lindell
 Kilger (Stormont—Dundas—Charlottenburgh)

Wilfert

 Kilgour (Edmonton Southeast)
 Knutson

 Kraft Sloan
 Lee

 Lincoln
 Longfield

 MacAulay
 Mahoney

 Malli
 Maloney

 Marley
 Marchi

 Marleau
 Massé

 McCornick
 McGuire

McKay (Scarborough East) McLellan (Edmonton West)
McWhinney Mifflin

Minna Myers

Nault O'Brien (London—Fanshawe)

O'Reilly Pagtakhan Patry Paradis Peterson Peric Phinney Pratt Pettigrew Pillitteri Provenzano Redman Richardson Robillard Rock Scott (Fredericton) Sekora Shepherd Stewart (Brant) St. Denis Stewart (Northumberland) St-Inlien Szabo Telegdi Torsney Thibeault

Ur Vanclief Wood—119

NAYS

Members

Anders

Bailey Borotsik Bachand (Saint-Jean) Bellehumeur Brien Brison Cadmar Chatters Chrétien (Frontenac-Mégantic) Crête Dalphond-Guiral Davies Desjarlais Duceppe Dumas Duncan Farle Forseth Godin (Acadie-Bathurst) Goldring Guimond

Ablonczy

Grewal Guimond
Harris Herron
Hill (Prince George—Peace River) Hoeppner

Keddy (South Shore) Kenney (Calgary Southeast)

Lill Loubier Lowther Marceau Marchand Martin (Winnipeg Centre) Matthews Meredith Mills (Red Deer) Morrison Obhrai Picard (Drummond) Power Price Rocheleau Proctor Scott (Skeena) Solberg Strahl Turp Vautour Wasylycia-Leis White (Langley-Abbotsford) Williams-60

PAIRED MEMBERS

Alarie Anderson
Asselin Beamier
Bennett Bergeron
Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok)
Bulte Byme
Carroll de Savoye
Debien Dubé (Lévis-et-Chutes-de-la-Chaudière) Duhamel
Folco Gagnon

 Girard-Bujold
 Godin (Châteauguay)

 Graham
 Iftody

 Keyes
 Lalonde

 Lastewka
 Laurin

 Laviene
 Lebel

Leung Martin (LaSalle—Émard) Ménard Mercier

Murray Normand

Perron Pickard (Chatham—Kent Essex)
Sauvageau Speller
St-Hilaire Tremblay (Rimouski—Mitis)
Whelan

The Speaker: I declare the motion carried.

[Translation]

SECOND READING

The House resumed from April 22 consideration of the motion that Bill C-78, an act to establish the Public Sector Pension Investment Board, to amend the Public Service Superannuation Act, the Canadian Forces Superannuation Act, the Royal Canadian Mounted Police Superannuation Act, the Defence Services Pension Continuation Act, the Royal Canadian Mounted Police Pension Continuation Act, the Members of Parliament Retiring Allowances

Government Orders

Act and the Canada Post Corporation Act and to make a consequential amendment to another act be read the second time and referred to a committee; and of the amendment.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Madam Speaker, you caught me a bit off guard. I felt that this was a debate of interest to a great many people in this parliament, especially since Bill C-78 is an important bill.

This is definitely a highly technical bill. It addresses the various pension plans administered by the federal government, as well as creating some institutions of future importance. It is a bill on which, as we have just seen, the government is very anxious to pass a gag order, or in other words to take away the right of the members of this House to speak, because it has seen how things are heating up.

It seemed just now that we were dealing with what, in criminal circles, would be called a return to the scene of the crime. When a criminal is interrupted while committing a theft, he takes off, but he always returns. And that is what this government is doing.

This bill has major consequences for the future of relations between the federal government and the employee contributors to the various pension funds.

Bill C-78 creates the public sector pension investment board. The mandate of this board will be to do exactly what we have been doing for more than 30 years in Quebec with the Caisse de dépôt et placement, which is to say managing various pension funds. There are three major funds, including the one for government employees.

• (1255)

The bill amends the Public Service Superannuation Act, the Canadian Forces Superannuation Act, and the Royal Canadian Mounted Police Superannuation Act.

The board will manage the billions of dollars in these funds annually. As I mentioned, the board's mandate resembles that of the Caisse de dépôt et de placement. Over 30 years ago we had the bright idea to set up this caisse, which now manages several tens of billions of dollars of Quebeckers' retirement savings.

On the strength of its more than 30-year track record, I can say that we did well to introduce this caisse, just as the government is doing well to establish a public sector pension investment board.

Where it falls apart and where we disagree violently with the government has to do with the fact that there is a danger that the main players will not be represented on the board's board of directors.

Right now, these various funds have 275,000 members. A total of 160,000 retirees and 52,000 survivors receive payments from one of the three plans. None of these will, if we look at the

probabilities, be represented on the board of directors of the Public Sector Pension Investment Board.

It involves the management of the contributions they made as employees and making the most prudent decisions possible so these funds will grow, remain viable and provide a good pension income on their retirement. However, employees contributing currently will not be represented on the board of the pension investment board.

Neither will those who are retired, who contributed in the past. Some decisions, including those involving unforeseen surpluses generated by the various pension funds, require those who have previously contributed and who are now receiving their pension to have a say and be involved in decisions. But no, the 160,000 retired individuals who have paid in and who are responsible for past surpluses have no right in this regard. They will not be represented on the board of the pension board.

Why, we ask, will they not be represented? For the following reason. The members of the board of the Public Sector Pension Investment Board will be appointed under the following process. The President of the Treasury Board, in his usual dictatorial wisdom, establishes an advisory committee of eight persons under Bill C-78. It is him who appoints the eight members of the nominating committee. These eight people will submit to the President of the Treasury Board a list of potential candidates for appointment as directors of the pension investment board.

This nominating committee will ultimately, with the approval of the President of the Treasury Board and the governor in council, determine who will sit on the board of directors and decide how the pension plans that I mentioned earlier will be managed.

The President of the Treasury Board will appoint the chair of the nominating committee. He is the only one making that appointment. He will also directly appoint two members to represent him on the nominating committee, one of whom must be a public service employee.

• (1300)

He will appoint a member among people who are in receipt of a pension. He will also appoint two members after consulting with the Minister of National Defence, and two members after consulting with the Solicitor General of Canada.

These are the eight people who will make up the nominating committee. Only two of them will represent pensioners and employees making contributions.

When you are making a 50% contribution to a pension plan and the government—your employer—is contributing the other 50%, you expect equal representation from the beginning of the process.

So, two out of the eight members of the nominating committee will provide the President of Treasury Board with a list of candidates for seats on the board of a body which will administer billions of dollars of present and future employer and employee contributions

Are we to believe that the majority of those suggested will be representatives of pensioners and workers? Logically, using simple mathematics, if these members are two out of the eight contributing to a discussion within the advisory board on a list of candidates to be submitted for positions on the Public Sector Pension Investment Board as directors, then their propositions will be in a minority from the start.

Then, once the list has been determined by the nominating committee, it is submitted to the President of Treasury Board, who will have every prerogative. He is the one who will determine which people on the nominating committee list will be submitted to the governor in council, or in other words the Cabinet, to constitute the 12 directors of the Public Sector Pension Investment Board, who will have a 3-year mandate.

When the President of Treasury Board receives this list from the nominating committee, if he does not feel like having any members representing pensioners or workers contributing to the plans, he will just do what is commonly called "cherry-picking". He will just choose from the list the people whom he wants to submit to the Cabinet for approval.

The chances of any worker or pensioner representatives being on the executive of the Public Sector Pension Investment Board are about as unlikely as the chances of skating safely on the Rideau Canal this time of year.

There is no logic in this, particularly since the committee struck by the President of Treasury Board a year or two ago, which tabled its report in December 1996, proposed, based on how things are done elsewhere, that there be equal representation of workers and pensioners and of government on the executive of the Public Sector Pension Investment Board.

When the committee made this recommendation on representation, the government seemed fairly open to it, but last December its attitude changed and it decided this was no longer the way things would be. It decided to do as it does in its day-to-day management, which is to make quasi unilateral decisions, fill in the gap with unions and pensioners, act as it has usually done in its relations with unionized employees, and that is to proceed with special legislation and riot sticks. When it is not the riot stick, it is cayenne pepper. So, that is what it does.

It is a dictatorship. It is an abuse of power and the denial of the rights of contributors to be part of the decisions that concern their money.

I would remind members that 50% of the contributions in each of the three funds come from workers. The other 50% comes from the government. Could you not, when you have contributed 50% from your pay cheque, have some say when it comes time to make a decision? No.

The President of the Treasury Board, on the example of the Minister of Finance, who dips into the employment insurance fund surpluses, decided to continue the tradition of this Liberal government of royally ignoring employees and pensioners and make unilateral decisions. That is unacceptable.

(1305)

According to actuarial forecasts, there will be a surplus in the three main funds that could exceed \$30 billion. In Bill C-78, the government appropriates the right to use what it calls unforeseen surpluses, including that of \$30 billion, as it sees fit.

No question of discussions with the unions or those who contribute to the fund, no. Unilaterally, he decided he would follow the government's practice of taking money from others, without warning, without speaking to anyone. Bill C-78 enshrines the practice by providing that the government will use the actuarial surplus as it sees fit.

For example, the government could use part of that surplus to reduce contributions or eliminate them temporarily. But on this side of the House, when we look at what happened to the employment insurance fund, we are convinced that the government will use that \$30 billion in a manner that totally ignores the fact that it should benefit public service employees, and particularly pensioners and surviving spouses.

In his usual wisdom—which is selective when the time comes to present his case—the President of the Treasury Board says "Yes, but in the past, when there was a deficit in the various pension plans, it is the government that put up the money to eliminate such a deficit". Indeed. But let him show the actual figures indicating what amount the federal government had to provide in recent years to eliminate such deficits in the pension plans. Is it \$4 billion, \$5 billion or \$6 billion? Could the President of the Treasury Board commit to table the figures on the federal government's contribution, which is estimated to be around \$5 billion?

If the federal government did indeed provide \$5 billion to absorb the deficits in the three pension plans, could it be that, out of the anticipated surplus of \$30 billion, there is \$25 billion that do not belong to it, or that only half of that amount belong to it since the government and the workers both equally contribute to these plans?

Could it be that the President of the Treasury Board is very selective in his arguments? He is using closure precisely because he does not want to hear the whole truth.

Government Orders

We are prepared to consider that if, in recent years, the federal government contributed \$5 billion to absorb any pension deficits related to an economic downturn, that leaves a surplus of \$25 billion for which we could agree on a management structure. Decisions should be made in a collegial fashion. But the government does not know about that concept. There is an amount of \$25 billion that does not belong to the government. The government may be entitled to half of it, but the other half belongs to contributors.

The consultation and management process for contributions and surpluses that is found in the legislation is a breach of democracy and it goes against what is done elsewhere.

Let us take a look at what is done elsewhere. It is not just government pensioners, federal public servants contributing to pension plans who find themselves with greater actuarial surpluses than anticipated four or five years ago. This has happened everywhere because of low interest rates, higher rates of return and, perhaps, managers' talent. The result is almost generalized surpluses that were not forecast by actuaries in almost all pension funds throughout the country.

What have others done with the unexpected surpluses? They have agreed to a collegial system with plan members, pensioners and managers. The federal government will not consider such an approach.

I will give the example of the Government of Quebec, with which I am very familiar. The Government of Quebec has two pension fund management committees, one representing unionized workers and one representing managers. There are two pension plans, one for unionized workers and one for managers. Each of these plans has a management committee.

The unions and the government are represented on each management committee in equal numbers. There is real collegiality. It is a democracy, not a dictatorship.

Last December, the way the President of the Treasury Board was talking, it sounded as though the government had seen the light, had remembered what democracy was and how to behave in a civilized manner, and would introduce a structure in which contributors and management would have equal representation. But no.

• (1310)

In Quebec, there is a collegial approach to deciding how surpluses are handled. Decisions are taken as well. This committee, composed of equal numbers of unionized workers and representatives of the Government of Quebec, also decides what will be done with surpluses and what management directions should be taken. In co-operation with the Caisse de dépôt et de placement du Québec, it decides on the best growth vehicles for contributions and for part of the surplus of workers and managers.

It would have been so easy to get it right for once. All the elements were there. But instead this government's cynicism has prevailed. This government is thick. I have said so often, but not often enough, in my opinion. The government is close-minded. We try to get it to understand some common sense, we try to tell it that it might be a good idea at some point to look calmly at the possibility of collaboration with the public servants and public service pensioners, rather than confrontation. But with the government, it is always confrontation.

It is trampling on the most fundamental right, a minimal right I would call it, to have representation. It makes no sense. Contributors to a fund would like to take part in the decisions on how that fund is managed, particularly since later on, depending on what decisions are made, and on whether or not there is contributor participation, they are the ones who will benefit, or not benefit, from the administrators' decisions. Here we are faced with a structure in which contributors are completely pushed aside. This is not normal.

As members know, here is how things work elsewhere when there is a surplus: a joint decision is made on what to do with the unexpected surplus. Judging by a sampling of some thirty funds over the past three or four decades, often it has been agreed to improve the plan and its benefits, and also to improve survivor's benefits. Often, survivor benefits are less than the worker's pension was during his or her lifetime.

The plan has been improved, and now even includes certain provisions for part time workers, but it has always moved in the direction of improving people's lot. This government's only motivation is the general improvement of the state of the surpluses, with the Minister of Finance shamelessly dipping into surpluses in the employment insurance fund.

The President of the Treasury Board has just got into the habit, unless the two are one and the same, unless the Minister of Finance is ordering the President of the Treasury Board, as the future leader of the Liberal Party of Canada, who is preparing his race for the leadership and who wants an extraordinary performance to be able to announce this race where he succeeded while others failed spectacularly. But he is doing this on the backs of others. Everyone is going to remember that.

[English]

Mr. Tony Ianno (Parliamentary Secretary to President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Madam Speaker, I have a question for the hon. member. Is the Quebec government pension plan a shared risk, shared management plan?

[Translation]

Mr. Yvan Loubier: Madam Speaker, I do not understand the hon. member's question. There are two major pension plans in

Quebec's public service, plans that are entirely usual. There are risks in investing just as there are benefits in it.

What I mean is that it is the contributions of employers and employees that are paid in part into the Caisse de dépôt et placement, which manages the surplus on behalf of these two funds. What the committees keep is what they need to pay the pensioners' benefits. So the plan is not more risky than any other. The risk is shared, because the employer's and the employees' contributions are pooled and managed.

• (1315)

The Caisse de dépôt et placement has the mandate, trough two management committees, to manage part of those assets, so as to generate enough money to pay pensioners. There is not much difference between the three major federal pension plans and the ones in Quebec. They are essentially similar, except that Quebec has been doing for about 30 years what the federal government wants to do with the pension investment board, and we are very proud of that.

It should be noted that my presentation did not include any negative comments about the pension investment board. It is a great idea. What we disagree with is how the funds will be managed and the inadequate representation. Normally, the main stakeholders are involved in managing the funds. Our second point is that the government is once again making off with the contents of the till, like a thief.

I did not mention any names. I just said that the government was acting like a thief. This is not unparliamentary. Nothing prevents me from saying that this government is acting like a thief when it keeps helping itself to the EI fund, for instance, and its \$25 billion surplus. Very few Canadians and Quebeckers agree with this approach.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I have a comment and a question for the member for Saint-Hyacinthe—Bagot.

First, it is terrible that debate is so limited on a bill that is almost one inch thick. It is a very important bill in our country, which has a public sector pension plan. The government wants to help itself to \$30 billion of the surpluses and pull the same stunt it pulled with EI. This year, the surplus in the EI fund will reach \$27 billion.

As I have already said in the House, there are still people in this country who open their fridge in the morning and find nothing in it. They have nothing to feed their children before sending them off the school. Workers have been robbed: there is no other word for it.

I would like to know whether my colleague agrees with me. Is a precedent not being set with this bill in the House of Commons? The government is going to help itself to surpluses without workers' consent. It is opening the door for corporations, which

have long wanted to get their hands on pension fund surpluses. Workers have always been opposed, as have governments.

Today, the government is setting a precedent. It will no longer have any argument against big corporations that want to dip into their workers' pension funds.

It will no longer have any argument when big corporations tell it they want access to surpluses in order to invest them elsewhere. Employees are going to have to pay higher and higher premiums, because there will not be enough money in these depleted pension funds, as the corporations will have got their hands on the money. This is an unacceptable precedent. The government ought not to be taking the country in that direction.

I would like to hear the comments of my colleague from Saint—Hyacinthe—Bagot on how important it is for the government not to act in this way, and particularly on how little time we have to debate this bill. We parliamentarians are not even being given the opportunity to say what we think. We cannot come to the House to express our opinions, to explain our point of view on behalf of the Canadians who sent us here.

It makes no difference whether one is on the left or on the right. We no longer know which way this House is going to go. Every time the Liberals want to pass a bill, they stop us from speaking in this House. They take away our rights as parliamentarians to defend Canadians. This is unacceptable.

I would like to hear my colleague's comments on the two questions I have asked, because the Liberals are not doing their job in this country at the present time.

Mr. Yvan Loubier: Madam Speaker, the hon. member is right.

In dealing with a problem, a dispute in a large firm, for example, because there are surpluses in the workers' pension fund, we will no longer have any valid arguments. It can no longer be said that this is not how it works, when the federal government allows itself under Bill C-78 to do everything it is not supposed to do, namely go off with the money.

• (1320)

We will no longer have any valid arguments. My colleague is right on that. I recall a time not so far off when one of Conrad Black's businesses was at issue, and Conrad Black said "The surpluses do not belong to the employees anymore, they belong to me". How can we argue that he is wrong.

In this case, given that contributions are made by both sides and the future of the pensions of today's workers is at stake, how can we say "You should sit down and discuss this"? We have reached a point where we no longer have any valid arguments.

The other thing I would like to point out, in connection with what the hon. member mentioned about the employment insurance fund, is that the government has just legitimized a fraudulent practice—that of going off with the money.

We recall the Minister of Finance saying last November "I foresee the possibility of introducing a bill on the management of the employment insurance fund surplus". He had a bill like this one in mind. However, faced with popular opposition—that of the Bloc Quebecois and the other opposition parties in the House—he backed away.

However, the Minister of Finance dreamt of having this legitimacy, since at the moment, it is not yet certain that he is within the law when he dips into the employment insurance fund, and there are cases before the courts at the moment. Among others, the CSN is making representations on this issue, on the grounds that the finance minister's interpretation of the Employment Insurance Act is stretching the point somewhat. It might snap, because the Employment Insurance Act includes pretty clear provisions on the use of surpluses, and reducing the deficit and paying off the debt are not options. The EI surpluses must not be used for such purposes.

The Minister of Finance dreamed about tabling a bill like that, but he does not have the same agenda as his colleague, the President of the Treasury Board. He has a different and more secret agenda, but everyone knows about it. I am referring to the leadership race. It would have been terrible for a politician to table a bill legitimizing the use of funds that do not belong to the government.

[English]

Mr. Tony Ianno (Parliamentary Secretary to President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Madam Speaker, it is nice to see the amalgamation and the marriage of the united left. The Bloc and the NDP have sort of the same mindset.

I have a question for the hon, member. He did not understand the difference between shared risk and shared management. Taking into account the \$30 billion surplus, the government is responsible for the deficit or the surplus. It is unfortunate that in his whole presentation we were not able to understand the premise of his argument.

Would he like to try to explain to the House what he meant, taking into account he was not aware of the shared risk management concept?

[Translation]

Mr. Yvan Loubier: Madam Speaker, if the hon. member is suggesting that I do not grasp the concept of risk, he is badly mistaken. In fact, one of my main arguments is that, if he claims that past pension deficits were absorbed by the federal government, then the President of the Treasury Board should table the figures. According to our calculations, the federal government's contribution in that respect is around \$5 billion.

So, given a contribution of \$5 billion and an anticipated actuarial surplus of \$30 billion, this leaves some \$25 billion that does not fully belong to the government; this amount belongs equally to taxpayers and the government. This is why we are advocating a collegial approach to managing the funds and related risk, instead of the dictatorial approach proposed by the President of the Treasury Board through Bill C-78.

I clearly understand the concept of sharing risk. In fact, when I did my masters in university, part of my thesis dealt with that issue.

[English]

Mr. Tony Ianno (Parliamentary Secretary to President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Madam Speaker, last week the government tabled legislation that set out the first major improvements to the public service pension plans in more than 30 years. The legislation aims to ensure the long term sustainability of Canadian public service pension plans, improve the financial management of the pension funds, and upgrade the benefits currently offered to government employees.

I rise today to express my support for Bill C-78 and to underline more particularly its beneficial provisions on the management of public pension plan surpluses and deficits.

Under existing legislation the government assumes responsibility for deficits in the pension accounts but is not entitled to manage existing surpluses. Obviously this is an anomaly that must be corrected.

• (1325)

Also under the present system when projections show an account to be holding more than necessary to meet the future obligations, both the employer and the employees must nevertheless continue to contribute to the accounts as legislated. This provision means that surpluses can thus continue to exist and even grow indefinitely.

For private pension plans, however, the Income Tax Act sets a limit at which a growing surplus must be managed according to specified terms; but this is not the case for public service pension plans. This has become an issue of very real importance since 1991. In 1991 surpluses started to accumulate in the three federal government superannuation plans. They now total some \$30 billion.

These surpluses show the difference between the balances of the accounts and the amounts estimated by the actuaries needed to actually pay for all future benefits earned to date by plan members. It makes no sense to keep forcing the Canadian taxpayer to credit ever growing employer contributions to pension plans that contin-

ue to generate a surplus far in excess of the needs of plan members and what the Income Tax Act allows for other plans.

As the President of the Treasury Board said earlier the government wants to be fair to government employees, but we would not be acting fairly toward other Canadians if we were to give federal public servants financial advantages that were not available to all. Bill C-78 will provide the government with the authority and mechanism for managing pension surpluses in a manner consistent with the rules for registered pension plans as set out by the Income Tax Act.

The management of the surpluses raises another issue. Who has the ownership of the \$30 billion surplus? Canadian taxpayers have always assumed the risk of the public service pension plans since their creation in 1964, and these are not empty words. Since 1964 Canadian taxpayers have poured into the government employee pension plans \$13 billion to cover for deficits. Since the government has carried the full load of the risks in all those years, it is only fair that we would also be responsible for any surplus.

The present surpluses would gradually be reduced to the allowable level over a period of up to 15 years. The amounts will be debited over the chosen period so that at the end of the period the remaining surplus or excesses is at most no greater than 10% of the estimated liabilities. This 10% cushion is in line with Income Tax Act maximums that apply to all pension plans in Canada.

Bill C-78 will also permit Treasury Board ministers to determine the use of any future surpluses. They could decide to institute a contribution holiday for plan members, the employer or both, or to withdraw all or part of the surplus. Surpluses could also be used to improve benefits though this would require special legislation.

It should be noted that the government would continue to assume all financial risks for the public service pension plans and to be solely responsible for making extra contributions to cover any future account deficit. This is a further argument in favour of giving the government responsibility for managing an eventual surplus.

Under the legislation now before us, before deciding what to do with an eventual surplus the Treasury Board would consult with the ministers responsible for the three pension plans and with those responsible for the financial management of the plans. As the President of the Treasury Board noted, the same principle will be applied in the case of the new Canada Post pension plan structure which will also take effect on October 1, 2000.

Any future surplus in the CPC pension plan will be managed by Canada Post which has responsibility for all the risks and management of the fund.

• (1330)

This surplus could be used to reduce contributions or to further enhance benefits, or a combination of the two. As previously announced, Canada Post will be meeting and discussing the pension plan with all bargaining agents over the coming weeks and months.

Since the government first announced its intention to take responsibility for future pension plan surpluses it has been accused in some quarters of acting unilaterally without due regard for the opinion and interests of pension plan holders. In fact the government did not move earlier on this issue precisely because it was hoping to reach agreement with plan members on a new joint management framework for the future of pensions.

Thorough consultations have been held in the seven years since 1992 on this subject between the Treasury Board and employee representatives.

In November 1992 the President of the Treasury Board asked his advisory committee for the public service pension plan to conduct a review of the fundamental elements of the plan, including its management and financing. The committee reported to the president in December 1996.

After studying the report in February 1998, the President of the Treasury Board announced the start of a consultative process with employees and pensioners aimed at developing a package to reform the public service plan. Among other things this consultative committee was offered to negotiate an agreement on sharing the risks of the pension plans that would allow our employees to share surpluses in the future.

The committee met from February to December 1998 and, though significant progress was made on the issue of future deficit and surplus sharing, discussions broke down last December. Despite the fact that employees have not shared the cost of past deficits, their representatives insisted on receiving a significant share of the accumulated surplus.

As I explained previously, since the government has carried the full load of the risks in the past, it is our view that we would also be responsible for any surplus. Even though the employer offered joint management and significant improvements to our employee pension plans, the offer was deemed insufficient by employee representatives.

Faced with this impasse, after having consulted for several years with employee and pensioner representatives, the government decided to move ahead simply because it could not afford to wait any longer. By delaying indefinitely the necessary changes that are being proposed today the government would have in fact created an even more intractable position for all concerned.

I believe it would have also shirked its responsibility to all Canadian taxpayers if it did not act to put public service pension

Government Orders

plans on a better financial footing, as well as modernizing and improving their administration.

Hon. members should recall, however, that the President of the Treasury Board, on behalf of the government, stated on more than one occasion that the door remained open for future negotiations on the management of pension plan deficits and surpluses. So far, far from being insensitive to the preoccupation of public service pension holders, I think the minister has shown himself to be very open-minded in his approach to this question. We should applaud his willingness to reopen discussions at the opportune time in the best interests of all parties.

I too hope very much that employee representatives will soon resume discussions on a joint management plan for our public pension plans.

I urge all hon. members of the House to support the proposed amendments to the public service superannuation acts. I believe they are fair to our employees and fair to the Canadian taxpayer and that they will bring about much needed and overdue changes to government pension plans.

Mr. John Williams (St. Albert, Ref.): Madam Speaker, I would like to ask a question of the parliamentary secretary.

First we have to acknowledge that the government is no longer paying interest on the surplus, saving about \$2.5 billion a year. Now it wants to take this surplus and bring it into its income.

• (1335)

What benefit will this give to the pensioners and to the employees, if any? I cannot see any. Apart from the Minister of Finance being able to brag about finding extra revenue, what benefit will this be to the taxpayers of Canada? Canadian taxpayers are not going to see the cash. Presumably the money is going to end up reducing the government's debt, which has been run up over the last 30 years. That is downright criminal, but nonetheless it is there. What is the benefit for the taxpayers of Canada? What is the benefit for the employees? Is the benefit to make the Liberal government look good?

Mr. Tony Ianno: Madam Speaker, it is nice to hear the Reform Party complaining about a debt or a deficit going down. It is an interesting reversal.

As we have stated many times, and I know the hon. member agrees, the surplus was created by the government putting into the legislated plan the amount of money which an actuarial evaluator determined was required each year to ensure that enough money was available to pay for the service. Unfortunately, because of the way the legislation was written, we cannot take the whole plan into account even when there is a surplus and determine that the government put in less money.

Also, taking into account that CPP premiums have been going up and the percentage of employee contributions was maximized at 7.5%, which became less of a percentage overall, that meant that the government had to continue putting more money in to satisfy the needs of the pension plan on a current year basis.

It is important that the government correct this difference so that all Canadians are treated fairly. I know that the hon. member would want that. Taking into account what this would do for Canadians at large is an important step. We take into account the added moneys the government put into the plan to ensure that the actuarial evaluator was satisfied. Even though it was more than the government needed to put in, it will allow the government to deal with its finances and to ensure that the needs of Canadians with respect to health care and all other needs are met. We have to ensure that we are not paying the \$42 billion interest payments per year solely for that, which I know my hon. colleagues in the NDP and the Bloc are concerned about.

The hon. member is correct in stating that the \$2.5 billion will be a benefit to Canadian taxpayers. That money will be available to put into the programs that we all care about, such as child poverty and homelessness. Unfortunately the NDP is making sure that its union friends are protected in this process. They too know, as other pension groups know, that this money belongs to Canadian taxpayers. We on this side of the House want to ensure that all Canadians benefit from the money that Canadian taxpayers pay.

[Translation]

Mr. Jean-Paul Marchand (Québec East, BQ): Madam Speaker, I am astonished at the hon. member's remarks. I wonder whether he is not in fact trying to mislead the public. I could point out many things he said that are really very far removed from the truth, one of them being that the minister sponsoring this bill is acting with open-mindedness.

There is no open-mindedness when a minister tries to impose the government's will, as is happening here, without establishing a committee where pension fund contributors would be represented. It is more like an abuse of power on the part of the government. I cannot see any open-mindedness in what the minister is doing.

He is also trying to make people think that the government is acting in the interests of pensioners and taxpayers. Making people pay twice, as this bill does, is robbery.

(1340)

It is as if the people who have contributed to this pension fund, whose surplus is some \$30 billion, were being made to pay twice, because the government is acting contrary to the interests of pensioners and the general public by grabbing huge amounts of money rather then turning them back to the people who paid into the fund.

This is double taxation. This is a hidden tax. That is the truth. My colleague was trying to convince people that he is working in the taxpayers' interests. That is a falsehood. Our colleague has made a deliberate and intentional error.

Basically, the government's intention is not to act in an openminded way. It has even imposed a gag on debate, scarcely an hour ago, because it was so anxious to stifle the debate on this misappropriation of Canadians' pension money.

This is not being open-minded. This is not defending the interests of pensioners or taxpayers. It is making the taxpayers pay twice.

I would therefore call on my colleague to comment this. Does he still maintain that the minister who introduced this bill is showing open-mindedness, and is making the taxpayers pay twice for this pension fund really seeking to help them?

[English]

Mr. Tony Ianno: Madam Speaker, it is interesting that even within the same party the knowledge of this bill is different from the front to the back.

He stated that somehow employees contributed to the surplus, to the \$30 billion process. They contributed, but the number nowhere nears the amount the government contributed, taking into account that the government always had to put in the extra money which the actuarial evaluator determined and taking into account that the CPP kept increasing to the point where it was 70% from the employer and 30% from the employee.

The hon. member indicated that he would have liked another six months of discussion. That is the reason for time allocation. Otherwise, if we had the views of the hon. members opposite, the discussion would have continued for another six months, which would not have changed the facts that we have before us today.

The President of the Treasury Board has been open minded. That is important. As we stated, the offer may not be on the table directly, but the unions can participate in the discussion with respect to the surplus and the new investment fund that is being set up by this bill. Unfortunately the unions have balked at that. They want the surpluses, but they do not necessarily want to participate in the potential deficits that may exist in the future. It is one sided.

The hon. member says that the Canadian taxpayer is double taxed. I think with the track record of the Bloc that is something which is far-reaching.

Mr. Dick Proctor (Palliser, NDP): Madam Speaker, I have a very straightforward question. I listened very carefully to the parliamentary secretary. He said that the federal government has put \$13 billion into the program over the years. If it has only put in

\$13 billion, why is it trying to take out \$30 billion? Why is it not sharing it with retirees and current employees?

Mr. Tony Ianno: Madam Speaker, we know the NDP's track record when it comes to finances. It left a \$10 billion deficit in Ontario and in B.C. with its abysmal record on finances. Once again its members do not understand the basic elements.

I wonder if the hon. member overheard that somewhere. It is interesting that when the facts are on the table the member feels awkward. Only when he hears it from comments will he then respond appropriately.

The government has paid the surplus. That is why there is a surplus and that is what we are dealing with.

● (1345)

Mr. John Williams (St. Albert, Ref.): Madam Speaker, for a very short period of time, and I emphasize a very short period of time, we are debating Bill C-78 which was first debated last Thursday morning. We talked about it for a little while last Thursday and immediately the government introduced closure saying that we have talked enough about this on the very first day of debate. Today is the last day of debate at second reading. As far as I can tell, it is the government's desire to rush this thing right through committee, report stage, third reading and into legislation before the people of Canada and the public servants can realize what is going on. They will be presented with a fait accompli.

It is not the first time the government has done something like this and I doubt it will be the last time. Every time the Liberals do it I think it is atrocious that they would treat the democratic process this way, but they feel this is the way they want to run the democratic process in this country.

I am shocked that the government thinks that a 200 page bill with clause after clause of technical writing that is difficult to understand can be rushed through parliament in a very, very short period of time. Shame on the government for even thinking about doing something like this.

We have had a chance to take a look at some of the small points and the bigger points. We have been talking about the \$30 billion surplus the Liberals are going to help themselves to, raid the piggy bank I say and help themselves to the employees' pension funds.

Right at the very beginning the government talks about privatizing the pension plan. The government will set up a board of directors to run this pension plan, which is normal. We need to have somebody to run it.

A member of a pension plan such as the Public Service Superannuation Act, the Canadian Forces Superannuation Act or the Royal

Government Orders

Canadian Mounted Police Superannuation Act, is not entitled to participate in the management of the plan because obviously there would be a conflict of interest. We would not want anybody who participates in the plan being part of the management.

This bill also amends the Members of Parliament Retiring Allowances Act. Members of parliament are somewhat affected by this bill but they will not be precluded from sitting on the management board. This is a little omission which I think speaks volumes about who this Liberal government intends to put on the management board. Ex-Liberals collecting a pension of course are the first to come to mind. We will leave that to debate in committee, but we have to take a look at these little things in detail.

The parliamentary secretary tells us that the government feels it is entitled to the \$30 billion surplus. Why? He says because the government assumes all the risks. The government of course means that the taxpayer assumes all the risks. The government does not have any money, only the money that the taxpayer gives to it. Therefore, the parliamentary secretary would have been quite clear in saying that the taxpayer is assuming the risk, not the government. There is a huge difference.

The parliamentary secretary pointed out that in the past there has been a deficit and the taxpayer, not the government, had to come up with \$13 billion to offset that deficit. Now that there is a surplus the government says it should have the money. I believe that taxpayers should be protected so that they do not have to come up with another \$13 billion down the road.

It gets a little bit complex here. I hope that I can make my argument clear enough for the simple minds on the other side to understand.

There is a mix between the contributions by the employees and the employer. The two add together to make the contributions. Contributions are invested and there is investment income as well. Now we have a surplus. The government says "We assume the risk and therefore we are entitled to the surplus because if there is a shortfall we will put it back in".

The plan says that the government intends to increase the premiums of the employees. Therefore the employees are obviously accepting part of the risk of the financial health of the plan. If the employees are accepting part of the risk of the financial health of the plan, then the government does not have the right to say "We assume all the risks, therefore, we are entitled to all the surpluses".

• (1350)

That logic is wrong. It is faulty. It cannot stand the test of scrutiny. That is why we are saying the government is being heavy handed. That is no doubt one of the reasons that there is closure already. The government does not want debate to continue on this bill. It knows it cannot substantiate and support its flawed logic.

Let us look at why we have the \$30 billion surplus today. As the parliamentary secretary stated, it has only been accrued over the last six years. It started to build in 1991. It started to build for three reasons.

First, the government imposed a wage freeze on civil servants. Since 1991 they have not had an increase. The actuaries in the 1980s had anticipated that salaries would go up. As salaries go up the cost of benefits go up too because they are based on a percentage of salaries. If salaries are frozen, benefits are frozen. Therefore the anticipated extra costs of benefits did not materialize, hence a part of the surplus.

Second, the civil service pension plan is fully indexed for inflation. It is one of the few, if not the only one, that is fully indexed for inflation. What happened to inflation in the 1990s? It virtually disappeared. Therefore the actuarial assumptions that inflation was going to increase the cost of benefits did not materialize, hence adding to the surplus.

The third point is that the money that is in the plan is invested in 20 year government bonds. Back in the 1970s and 1980s, because of inflation the interests rates were high. Today the plan is still benefiting from these high interest rate bonds. As they mature and are reinvested in lower interest rate bonds or in the private sector, and perhaps the capital markets will not continue to do as well as they have in the past, the return on the plan is going to start going down.

Now that we no longer have a wage freeze, we can anticipate that benefits are going to start going up again because we are granting wage increases to the civil service. Thankfully the government recognized that it could not keep a lid on good employees forever. They will either walk away and get a job somewhere else or the government is going to pay them what they are worth.

Increases in salaries automatically guarantee increases in the cost of benefits. We will see a lower rate of return on the plan. We know that that increase in the surplus is going to stop. It may peak at about where it is now and potentially it may go into a decline.

If the government takes the \$30 billion, massages the books and then tells us what a wonderful job it is doing, a few years from now it will turn around and tell the taxpayers "We are sorry folks, there is a deficit in the plan. You have to pay more taxes. You have to pay more cash". I do not think that is a justifiable position. That is why I proposed on numerous occasions that the surplus stay in the plan. We know the Liberals are going to say that that is going to cost the taxpayer some money. But they have already stopped paying interest on the surplus. Therefore that does not cost the taxpayers a penny.

The money should stay in the plan to cover the shortfall. All the Liberals want to do is a simple bookkeeping entry, reduce the size of the pension plan, reduce the size of the debt and then stand back and say what a wonderful job they have done. Any bookkeeper that knows anything about debits and credits can do that but what has he accomplished? Nothing. He has just reduced the assets and the liabilities and nothing has been achieved.

Therefore this bill is only to make the Liberals look good at the next election where they can say that they have reduced the debt. But they did not do it by themselves. They did it courtesy of the pension plan of the civil service.

As I mentioned earlier about privatization, there is going to be a board. The plan is going to be privatized over a number of years. That perhaps is not a bad idea.

• (1355)

It is unfortunate that the capital markets are overly inflated right now. We certainly hope the Liberals can guarantee a decent return on the funds invested. If they cannot, they will be back to the taxpayer. Remember what the parliamentary secretary told us, that the taxpayer is on the hook fully and completely for this fund. I can see them coming back to the taxpayer in short order, after the election of course, saying "Oops, miscalculation, we need more money".

We want to protect against that. We want to make sure that does not happen. That is why we are fighting vigorously for the money to stay where it is.

We are not advocating that it go to the unions. We are not advocating that it reduce the premiums paid by the civil servants. We are not advocating that we increase the benefits. All we are saying is protect the taxpayers. Protect them now, protect them next year and protect them the year after. There is nothing this government wants to do other than make itself look good.

We know the Minister of Finance is building up surpluses here, there and everywhere. I have talked about them before. He has \$2.5 billion tucked in a bank account for the millennium scholarship fund. It was paid for last year but it is providing no benefit to any taxpayer today. It is sitting there waiting for the year 2000-01 which coincidentally happens to be before the next anticipated election. At that time the cash is going to flow and students are going to say "Wow, this is great, I finally got some cash". In the meantime that money could be spent now for the benefit of students and it is not. That is why it is smoke and mirrors from that party.

The Speaker: It is almost two o'clock and I want to give the member enough room to have a good kick at it after. He still has over eight minutes remaining. With his agreement we will proceed to Statements by Members.

STATEMENTS BY MEMBERS

[English]

PUBLIC TRANSIT

Mr. John Maloney (Erie—Lincoln, Lib.): Mr. Speaker, supporting public transit is an admirable goal and an essential goal.

Increased transit use leads to decreased traffic congestion, decreased pollution and related health care costs, decreased need for infrastructure to support car use, increased transit revenues. It starts a positive cycle where all transit users, including seniors, students and low income families, benefit from better transit service. All taxpayers benefit from the cost savings associated with less single occupancy vehicle use.

Last week in this House we were presented with the opportunity to accept the motion of our NDP colleague to consider making employer provided transit passes an income tax exempt benefit. The proposal would be an excellent step in the federal government's battle to meet our Kyoto commitment. It is one of the few incentives available to support public transit use. I would urge this government and the Minister of Finance to seriously consider this initiative.

"THE GIFT"

Ms. Val Meredith (South Surrey—White Rock—Langley, Ref.): Mr. Speaker, yesterday I had the honour to attend a truly unique gathering in White Rock, British Columbia. Two totem poles were raised on White Rock beach, one representative of the Haida and the other the Straits Salish people.

What makes these totems truly unique is that they were carved to honour the 125th anniversary of the RCMP. Both poles portray the RCMP in the role of the guardian or the watchman who ensures the safety of the citizens of the village. Commissioned by the White Rock RCMP and sponsored by numerous citizens from White Rock and South Surrey, these totems represent a coming together of the RCMP and the first nations peoples.

I would specifically like to acknowledge the efforts of Constable Mike Lane and Staff Sergeant Jim Fisher of the White Rock RCMP, Haida carver Robert Davidson, Salish designer Susan Point and the city of White Rock for providing us with "The Gift".

HOSPICE OF WATERLOO REGION

* * *

Mrs. Karen Redman (Kitchener Centre, Lib.): Mr. Speaker, I rise today to honour the 142 trained volunteers of the Hospice of Waterloo Region.

S. O. 31

The hospice is committed to preserving the dignity, autonomy, self-esteem and privacy of individuals facing life-threatening illness. The friends and family of the 1,194 clients from the Kitchener-Waterloo area who have used the hospice will tell you that the palliative care volunteers make a remarkable difference in the lives of the terminally ill.

Recently Lucille Mitchell, the founder of Hospice of Waterloo Region, was honoured at the annual mayor's dinner. In 1994 Lucille recognized the need for a volunteer based organization that would assist the ill with their physical and emotional needs. Hospice volunteers under Lucille's direction have given 27,548 hours to assisting the terminally ill.

• (1400)

Last week the hospice held its annual fundraiser. I would like to extend my congratulations to an excellent event. I commend the Hospice of Waterloo Region and all its dedicated volunteers. They are—

The Speaker: The hon. member for Scarborough Centre.

* *

SCARBOROUGH GENERAL HOSPITAL

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I rise today to salute the dedication and commitment of the many volunteers of Scarborough General Hospital in my riding of Scarborough Centre.

I had the pleasure of attending the hospital's volunteer appreciation dinner on April 19 last week. I must say I was struck by the longstanding commitment to the hospital that all the volunteers had. There were over 300 volunteers in attendance at the appreciation dinner with 76 of them receiving awards for service ranging from 5 to 40 years.

In particular, I want to recognize four volunteers who dedicated over half of their lives to volunteering at the hospital: Doris Daniel, Shirley McDonald, Jean Kennedy and Thelma Thomson. Each of these people have served the hospital for 40 years plus.

At this time, when labour unrest seems to be prevalent, it is indeed heartening to see that there are still many people who are willing to put their time and heart into a job simply because they love it.

I extend my congratulations to all the volunteers who were given awards at the dinner and thank them for giving so much to our community.

ARMENIA

Mr. Sarkis Assadourian (Brampton Centre, Lib.): Mr. Speaker, I rise to commemorate the 84th anniversary of the horrible

S. O. 31

premeditated mass murder of 1.5 million Armenians at the hands of the Ottoman Empire that occurred in 1915.

Over 1,500 Canadian Armenians from across Canada gathered in Ottawa this weekend to honour their dead and to remind all Canadians to consider the horrible loss of life and terrible suffering that the ultimate crime of genocide has inflicted upon its victims.

In 1996 the House unanimously designated April 20 to 27 of each year as the week of remembrance of inhumanity of people toward one another. During this week, let us honour the victims of the Armenian genocide. Let us recognize its horrors and pledge to eliminate this evil act from our society.

DUSTIN ONERHEIM

Mr. Lee Morrison (Cypress Hills—Grasslands, Ref.): Mr. Speaker, on November 9, 1997, five year old Dustin Onerheim of Frontier, Saskatchewan and his two younger sisters were passengers in their father's half-ton truck when it collided head on with another pickup on the crest of a hill.

Dustin was the only one able to escape from the overturned vehicles by crawling out a rear window. Following the directions of his father, who was pinned in the wreckage, Dustin removed his two little sisters and then ran for help. Everyone recovered thanks to the quick response of a five year old boy who many hours later was diagnosed as having himself suffered a concussion.

Dustin has already received two national awards and he is here in Ottawa today to receive a youth award for bravery. The House welcomes Dustin and together we salute him for his courage.

UNITED ALTERNATIVE

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, the Reform Party's united alternative initiative continues to implode. Now the Reform leader has started publicly comparing himself and his caucus to the Fathers of Confederation no less.

The Reform leader has even taken to comparing himself to George Brown, which is bizarre to say the least since Brown was the leader of the Grits and one of the founders of the Liberal Party.

With the Reform leader's thoughts of grandeur, it is no wonder that the united alternative has received such a cold reception, especially in western Canada.

An Angus Reid poll taken after the UA convention in Ottawa reported that only 30% of Albertans are in favour of the united alternative. Even more important, amongst Reform voters it did not receive majority support.

Perhaps the Reform leader should listen to the growing group of dissenting MPs in his caucus. If he cannot stay true to his own fundamental principles, Canadians will never ever have any reason to support him.

* * *

[Translation]

AMATEUR SPORTS

Mrs. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, last week the coach of the Canadian Hockey Association women's national team, Quebecker Danièle Sauvageau, was cavalierly dismissed.

A few months ago, the Canadian Handball Association's had done the same when, without any warning, it terminated the training in Montreal of the women's team, which was made up almost exclusively of Quebeckers.

Also during the past year, Synchro Canada required the swimmers on the national team, again mostly Quebeckers, to report to the national training camp in Toronto a year earlier than planned.

It is becoming increasingly obvious that discrimination toward Quebec athletes is not an isolated phenomenon in the wonderful world of sport.

We are calling upon the Minister of Canadian Heritage to take the necessary steps to ensure that those in charge of amateur sport in Canada treat all athletes with fairness and respect, whether they are Canadians or Quebeckers. If the minister has the future of Quebec athletes at heart, she will not allow any more similar incidents to occur.

* * *

• (1405)

[English]

ST. JOHN AMBULANCE

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, volunteers are the glue that holds the community together. No agency embodies the spirit of volunteerism more than the St. John Ambulance, an international organization committed to service for all.

This is a banner year for the agency: the Order of St. John is celebrating 900 years of service and the Canadian St. John Ambulance is celebrating 115 years of community service.

St. John Ambulance work is performed by two distinct and mutually dependent groups: the brigade, uniformed volunteers seen in Peterborough and across Canada providing community services such as first aid at local events; and the association, a network of medical professionals and instructors who provide first aid and health promotion courses.

S. O. 31

Each year, the Canadian chapter provides over two million hours of voluntary service and trains 800,000 citizens in lifesaving first aid and CPR techniques.

I congratulate the St. John Ambulance for its tireless work on behalf of others and wish it another 900 years of success.

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CHILD PORNOGRAPHY

Mr. Paul Forseth (New Westminster—Coquitlam—Burnaby, Ref.): Mr. Speaker, John Robin Sharpe will appear today in B.C. Appeals Court on charges of possession of child pornography, after being acquitted on January 13.

Had the Liberals voted in favour of a recent Reform motion to send a strong parliamentary signal on this ruling or had Judge Shaw ruled to uphold the law, we would not have today's distasteful question.

Today, 18 cases are on hold pending the outcome of this case. Each government member of parliament who voted, just to wait for the Crown appeal, will have to accept responsibility if the lower court ruling holds.

A loss of the child pornography section will do irreparable damage to the work done by the law enforcement community which is combating the sick subculture that is linked to child porn. It needs parliament to back it up.

This case also demonstrates the need for a more publicly accountable process for appointing judges, for it matters as much who is doing the deciding as what is being decided.

Reform is reflecting the community view. This case again shows that Liberals are weak and out of touch with mainstream Canadian values and do not have the right stuff to protect our children.

* * *

[Translation]

PARTI QUEBECOIS

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, in having the question of Quebec's separation moved to the foreground, Lucien Bouchard is sending the message of insecurity for the coming months.

More quarrels the Parti Quebecois will start in order to come up with the winning conditions. More disputes in all sorts of areas that the Parti Quebecois will blow into big issues.

Instead of all that, why not work together, for Quebeckers and Canadians, ensuring at the same time that Quebec retains its important position within the Canadian federation?

* * *

YOUTH SUICIDE

Ms. Angela Vautour (Beauséjour—Petitcodiac, NDP): Mr. Speaker, the cuts made and the actions taken by this government and the provincial governments across this country have all too often had a negative impact on the people. Politicians do not always recognize the problems of Canadians.

One problem they seem to have washed their hands of is the high rate of suicide among young people. Governments must fight this alarming problem. To do so, they must look at all the causes.

We must make sure resources are available in schools to help young people in distress. Budgets have been cut so much that social workers and those doing psychological testing have been cut. Also, with classes of more than 30 students, teachers cannot act as psychologists. They need support.

Furthermore, governments should make sure that there are activity centres in the community for young people.

In closing, I join with the families and students of the Mathieu-Martin, Clément-Cormier and Dr Marguerite-Michaud schools, currently dealing with this tragedy. I share their grief deeply.

* * *

1849 BURNING OF THE PARLIAMENT OF CANADA

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, 150 years ago yesterday, some sad events took place in Montreal. On April 25, 1849, Orangemen rioted and burned the Parliament of Canada, because they did not accept the amnesty granted to Patriotes who had escaped the gallows.

Responding to a call to arms by *The Gazette*, the rioters trampled a portrait of Papineau and did not hesitate to burn thousands of documents. Ordinary citizens, both English and French speaking, tried to intervene, but the rioters had gone wild. This is a very sad episode in Canadian history.

Now, on the eve of the third millennium, democratic values are well known, but this episode is a reminder that democracy is fragile and that intolerance is never very far. Disputes, even serious ones, must be settled within a democratic framework. The Patriotes paid the ultimate price. Let us never forget that.

S. O. 31

(1410)

[English]

REFORM PARTY OF CANADA

Mr. Paul Bonwick (Simcoe—Grey, Lib.): Mr. Speaker, last week Reform members stood in the House making accusations about members' commitment to acting in an ethical manner. It begs the question: Does Reform believe all its members act in a completely ethical manner?

I would like to remind Reform members of a few facts; things like a bingo parlour in Rockcliff, chauffeur driven limousines and thousand dollar suits. Perhaps their leader does not receive the same scrutiny they place on others.

Imagine, driving around in an old wreck of a car with Canadian flags painted on the sides and physically intimidating members of the House.

I would suggest that if Reform members were to clean up their own act first, they might find this would go a long way to raising the level of respect politicians receive in the country.

I am reminded of an old adage: "You shouldn't throw rocks if you live in a glass house". I think Canadians are witnessing the shattering breakup of the Reform glass house.

Seeing as Reform members are experiencing such difficulty in putting forward a united ethical front, it may in fact be a good idea for them to pursue a united alternative front. Call it what they may, it is still shameful.

* * *

YARMOUTH TOWN AND COUNTRY SPORTS HALL OF FAME

Mr. Mark Muise (West Nova, PC): Mr. Speaker, on May 1 there will be seven new inductees into the Yarmouth Town and County Sports Hall of Fame. The hall of fame, in its second year of operation, was created by local residents for the purpose of recognizing our local sporting heroes.

Sports have always played an integral part in our local communities. This year's inductees were instrumental in raising their particular sports to new heights.

This year's inductees include Mr. Keith Bridgeo who led the Yarmouth Gateways to consecutive Nova Scotia senior league baseball titles; the late Mr. James Burrowes, an accomplished championship swimmer; Mr. Jene (K.O.) Fowler, the late, great boxer; Mr. Frank Moores, a renowned pitcher during the second world war; the late Bruce Saulnier was a very gifted hockey player who played in the international league; Mr. Sanford Rodgerson, the first organizer of little league baseball in Yarmouth; and the

Yarmouth County Academy swim team who won six consecutive maritime high school championships.

To all these individuals and their surviving families, I would like to offer my heartfelt congratulations.

* * *

ALZHEIMER SOCIETY OF CAMBRIDGE

Mr. Janko Perić (Cambridge, Lib.): Mr. Speaker, I rise to pay tribute to the dedication and hard work of the many volunteers and supporters of the Alzheimer Society of Cambridge.

Alzheimer disease is a degenerative brain disorder that affects more than 250,000 Canadians. By 2030 it is estimated that over 750,000 Canadians will have this terrible disease. The economic cost of Alzheimer disease is estimated at \$4 billion per year.

Through its resource centre, public education initiatives and support groups, the Alzheimer Society of Cambridge plays an important role in the community. Please join me in wishing the Alzheimer Society of Cambridge and its many volunteers continued success.

* * *

YOUTH VIOLENCE

Mr. Eric Lowther (Calgary Centre, Ref.): Mr. Speaker, as the details come out, I join with all Canadians to express our sorrow at the tragic and senseless violence at Littleton's Columbine High School near Denver, Colorado. Our sympathies and compassion do not seem to be enough.

The tragic impact of this act on the families of these children and the faculty members as well as the community itself will be felt for years to come.

When young people are ensnared by an evil that makes them determined to steal, kill and destroy, the result is a horror that shakes us all. Whether it be acts such as this, or the killing of Reena Virk in B.C., we are impacted again with the importance for each of us to defend the preciousness of human life.

In the memory of those tragic victims, we are each personally called to overcome this type of evil by upholding what is good in our family and in our community.

Above all, for today our thoughts and heartfelt prayers are with these heartbroken parents and their families.

POVERTY IN CANADA

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, on April 14 the finance minister had the audacity to tell the House that he was "delighted to say that the number of children living in poor or low income families has declined by 100,000".

A day later, the Caledon Institute reported the real facts which showed that cuts to UI and welfare offset any employment gains by women living in poverty in the last year. Indeed, transfer payments to the poorest families fell by 3% in 1997. The poverty rate has not improved in 20 years. The poverty rate for families headed by persons under 25 has doubled from 20.9% in 1980 to 43.6% in 1997.

The evidence is very clear. The gap between the rich and the poor is growing. It is the Liberal government policies that are to blame.

I would like to tell the finance minister, rather than taking credit for something he did not do, he needs to set real targets to reduce poverty in Canada.

ORAL QUESTION PERIOD

● (1415)

[English]

KOSOVO

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, this weekend NATO announced a partial naval blockade of Yugoslav ports. A Canadian ship, the HMCS *Athabaskan*, is now in command of a NATO standing fleet in the Atlantic and will likely play a key role in any blockade of petroleum supplies to the Serb army.

At the same time, on the diplomatic front the Prime Minister announced that the foreign minister is off to Moscow to promote a new peace proposal.

Does the government not see a contradiction in participating in a naval blockade that will affect Russian ships at the same time as it is pursuing a new diplomatic initiative in Moscow?

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Absolutely not, Mr. Speaker. We are attempting to bring this conflict to an end as quickly as possible. The naval embargo will help to deny oil supplies and other war materials to Milosevic's military machine, which is inflicting great pain on the people of Kosovo.

We want to stop that ethnic cleansing just as quickly as possible. That is what that is about.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, if the naval blockade is pursued, it will have to deal with vessels that refuse to be stopped and searched.

The Russian foreign minister has stated unequivocally that Russia will continue to ship oil to Yugoslavia no matter what.

What does NATO intend to do when it encounters a Russian ship attempting to run the blockade? Does the Prime Minister not fear,

does the government fear, that such an incident would scuttle any attempt for peace through diplomatic means?

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, there is no intention to increase the tension with the Russians with respect to this matter.

The exact details of the naval embargo have not been worked out yet. They are being attended to by the military planners now. That will be reported to the NATO council later this week.

What is very encouraging is that a number of countries in the European Union have already decided that they would agree to an embargo. Therefore, if there is a naval force there, it would be helping to ensure that the very things those countries agreed to were being followed.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, the minister did not answer the question. My question was about Russian supplies to Yugoslavia, not those from other countries.

A half-baked naval blockade and a half-baked peace proposal will not solve the Balkan crisis. If the peace initiative is our number one priority, why not make it the number one priority?

Why would the government agree to the announcement of this naval blockade at a time when the foreign minister is attempting to pursue the diplomatic initiative in Moscow?

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, clearly any effort to bring about a diplomatic resolution also depends on maintaining effective pressure upon the government in Yugoslavia.

It does not make a lot of sense at this point in time that we have a number of Canadian pilots risking their lives to stop fuel supplies from reaching the Serbian army in Kosovo, which are maining and killing people, and at the same allow supplies to simply come in by boat. There is an attempt to balance the two.

The Prime Minister clearly said yesterday in his press conference that any effort on the seas would meet all the legal requirements and the diplomatic—

The Speaker: The hon. member for Red Deer.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the Prime Minister is having trouble getting a return phone call from the Russians. Yet he is going full steam ahead with his plans for a naval blockade.

We understand the strategic reason for the blockade but the timing of it will be critical. We run the risk of antagonizing the Russians in the very week that we will embark on a diplomatic mission with them.

How will the Prime Minister ensure that Canada does not alienate the Russians by putting forward this blockade proposal?

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, I just answered the hon. member's leader by saying that the importance of maintaining effective pressure on the Yugoslav government is also part of trying to get a resolution to the conflict. The two are connected.

We will do so. The planners at NATO have been asked to go back and look at all the options which will clearly take into account the military, the economic and the political ramifications. They will report back to our ambassadors probably by tomorrow or the next day. That will be taken into consideration in terms of the actual implementation.

What is important is to continue to maintain the pressure and to continue to maintain the dialogue.

• (1420)

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, we recognize our obligation to the alliance, but that should not preclude that we need to have a position of our own.

Does the Prime Minister and the government agree that it will be counterproductive to commit to a naval blockade which we know will antagonize the Russians in the same week that we embark on a diplomatic mission to Moscow?

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, I think I have now answered that question twice. I will do it a third time just so they will fully understand.

The reality is that at the present moment it was clearly assessed that major fuel supplies were leaking into Yugoslavia to support the ongoing repression the Serbian army is undertaking.

We have to stop that repression. We have to put the pressure on. In the meantime the Russians have indicated clearly in a series of exchanges that they are prepared to begin to look at helping to resolve the conflict. The two have to work together.

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the Deputy Prime Minister of Yugoslavia, Vuk Draskovic, stated that his government was prepared to accept a peace plan providing for the deployment of a UN force in Kosovo, which could include troops from NATO member countries.

Mr. Draskovic also said that his opinion reflected that of President Milosevic who, until now, has been opposed to any foreign troops in Kosovo.

Could the Minister of Foreign Affairs confirm this statement? If this information is accurate, could Canada convey that proposal to NATO and to the UN security council?

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, as we said on several occasions, it is very important to get the United Nations involved in a conflict resolution process.

The UN secretary general will travel to Russia this week. I hope to have a meeting with the secretary general to ensure that there will be a partnership between the United Nations, NATO and the other partners to ensure that a there will be resolution from the security council.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the main objection to such a proposal by Russia and China was that Yugoslavia was opposed to any UN armed force involving NATO countries.

Following the statement by Deputy Prime Minister Draskovic, who claims to reflect President Milosevic's view, has the door not just been opened, thus giving Canada, which sits on the UN security council, all the room it needs to convey such a proposal not only to China and Russia, but to all security council members?

[English]

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, I certainly hope what the hon. leader of the Bloc Quebecois has said is true, that in fact it represents a sincere offering.

We do not know exactly where Draskovic sits within the hierarchy, but we will take any opportunity that exists to try to develop agreement. If there can be an agreement on the side of the Yugoslav government to the presence of an international force that will make sure refugees can return in full security then certainly we will be prepared to support that.

That is one of the reasons the Prime Minister asked me to visit Russia this week to see how we can also engage with the UN and with the Russians toward that objective.

[Translation]

Mr. Daniel Turp (Beauharnois—Salaberry, BQ): Mr. Speaker, yesterday, the Prime Minister announced that the Minister of Foreign Affairs would be going to Moscow to meet with the UN secretary general.

Despite what Yugoslavia's deputy prime minister said yesterday, Slobodan Milosevic himself still categorically refuses to agree to an international military force that includes any members of NATO

Can the Minister of Foreign Affairs tell the House the precise goal of his mission to Russia, and whether he intends to persuade Russia to take part in an international military force in Kosovo?

[English]

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, if we go back to some of the discussions we had in the House last week, it is clear the intervention taken by the Russians

in Belgrade last week resulted in statements about the necessity for an international force to be present in Kosovo.

The Prime Minister is very anxious that we follow up. At the same time the secretary general will be advancing the same purposes. We want to see if we can help that process, if we can as a security council member support the engagement the Russians might take, because if they are in support then it may be possible to get the security council to have a resolution. That would be a very major step forward.

(1425)

[Translation]

Mr. Daniel Turp (Beauharnois—Salaberry, BQ): Mr. Speaker, could the minister tell us then whether he will be promoting the German peace plan during his visit, or whether, as a NATO representative, he will be presenting a new peace plan for Kosovo and the Balkans?

[English]

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, there is a variety of plans out there. I do not think we need any new ones, particularly. I think what we have to get is agreement on the plans. We have to get some sort of agreement that a common position can be advanced at the security council and at the United Nations.

If we can use our good offices and whatever other kinds of dialogue we can help create along with other NATO partners that are doing the same thing, I think it may help to move the process forward.

However, right now it is very important that there be a very active direct exchange, and that is why the Prime Minister has asked me to take the mission on this week.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, finally we are seeing some promising movement on the diplomatic front. The Minister of Foreign Affairs is going to Moscow with the NATO concession that Canadians were advocating all along: the need for an international peacekeeping force, not a NATO led force.

What kind of international force is Canada proposing so that the Russian initiative can move us toward a diplomatic solution?

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, I do not think we have got down to actually designing the composition. What is important at the outset is to get initial agreement that there is a willingness to join forces to go to the United Nations with such a position that we can all support. I think that will require that again there be some accommodation worked out.

What we want to achieve at this point in time is to work with the secretary general who will be in Moscow about the same time to see how we can lend whatever influence we can, whatever good offices we can, to try to bring that about. We are not going there with some secret plan in our pocket but just the goodwill to get a resolution.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, the Prime Minister and the Minister of Foreign Affairs have said that the real goal is a diplomatic solution in Kosovo and that Russia is key to that diplomatic solution. Any naval blockade will only escalate the conflict, will only increase the number of countries that are involved. In fact it may drive a wedge between NATO and Russia.

Does the government really believe we can secure Russian diplomatic co-operation by blockading Russian ships?

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, it is the hon. member who is using the word blockade. The word that was used in the case of the leaders meeting at NATO was embargo.

In fact, the embargo being placed is an embargo that is being agreed to by countries from the European Union. We hope many other countries will also agree to that. If there is a decision to deploy the naval force, for one thing, and if Canada participates in it, which is a government decision yet to be made, then that is the kind of scenario we are talking about, not one which would in fact put a blockade against Russian ships which would in fact increase the tension. We do not want to increase the tension. We want to resolve this.

[Translation]

Mr. David Price (Compton—Stanstead, PC): Mr. Speaker, NATO member countries are preparing to place an oil embargo on Yugoslavia, and HMCS *Athabaskan* and its Sea King helicopters will be deployed to the region in order to enforce the blockade. Recently a NATO exercise found the Sea Kings operational less than 50% of the time.

What measures is the Minister of National Defence going to take to ensure that the Sea Kings deployed with HMCS *Athabaskan* are operational?

[English]

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, we are a long way from that decision because the military planners have not reported in Brussels to the NATO council.

When NATO makes a decision of course Canada has to be part of making that decision and part of determining whether we even deploy HMCS *Athabaskan*. However, if we do, it will be fully equipped and ready to go and the Sea King helicopters will be performing quite well.

Mr. David Price (Compton—Stanstead, PC): Mr. Speaker, even though the Sea Kings have a maintenance routine that is probably second to none, the Sea Kings are still only available less

than 50% of the time and their anti-submarine warfare mission system is prone to failure when they do fly.

• (1430)

The Serbian navy has four diesel electric submarines available to engage NATO ships. What steps is the government taking to provide our ships with effective helicopters for anti-submarine warfare?

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, it has been said on many occasions that the Sea Kings are well maintained and continue to serve the needs of the Canadian forces. There is also a procurement strategy being finalized by the government with respect to the purchase of the replacement helicopter when the Sea King's day is done.

* * *

PENSIONS

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, first the government stiffed the public for billions on the Canadian pension plan. Then it raided the overpayment of \$26 billion in the employment insurance fund. Now it is after the \$30 billion public service pension plan.

Why does the government not admit that this is all about raiding people's retirement and insurance nest eggs so that the Liberals can pad their own election slush fund?

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, if I were a member of the Reform Party, I would really be ashamed. It is the party that said it would defend the rights of the taxpayers.

This money belongs to the taxpayers. The government will give the pensioners everything it has promised them by law. The government will give every public servant every benefit and more, that they are guaranteed by law.

During the life of the plan, it is the taxpayers who have paid all the deficits. This surplus belongs to the taxpayers.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, I say to the minister that if he were a member of the Reform Party we would be ashamed.

The bill has over 200 pages and deals with a surplus of \$30 billion. It affects 300,000 employees and 30 million Canadians.

If the government is so convinced that the bill is fair, I would like to know why is it moving closure on this? What is it afraid of?

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, once again the lawyers, the actuaries, the accountants and the auditor general all say that this surplus belongs to the taxpayers.

The Reform Party, of all parties, the party that says it is dedicated to the taxpayers, how does it dare want to take that money away from those it truly and legally belongs to, the taxpayers? How does it dare do this?

* *

[Translation]

YOUNG OFFENDERS ACT

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, after an exhaustive review of the young offenders bill by the Quebec Minister of Justice, the Quebec Minister of Public Security, and the Minister responsible for Youth, it is quite obvious that the bill will have a negative impact on the Quebec model, which has worked well overall.

Does the Minister of Justice acknowledge that, as the bill stands at present, Ottawa is not leaving Quebec or the provinces any opportunity to withdraw from the adult system the cases of young people they would very much like to exclude from it?

[English]

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I fundamentally disagree with the comment made by the hon. member.

Throughout the entire process of reform of the youth justice system we have acknowledged the fact that there are diverse needs and pressures within this country and that Quebec has chosen to approach the concerns of young offenders in a certain way. This legislation, I am convinced, provides Quebec with the flexibility to continue with its approach.

[Translation]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, there is no point in talking about flexibility when, in the opinion of experts, lawyers and everyone else working in the field in Quebec, there is no flexibility.

In that case, I would ask the minister: would she accept amendments ensuring the clear and unambiguous exclusion of Quebec from the application of the young offenders legislation, as proposed?

[English]

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, this legislation is clear. It provides the province of Quebec or other provinces or territories with flexibility to pursue diverse approaches to dealing with the concerns and pressures of young offenders. If the hon. member disagrees, I am sure he and I will continue this debate in committee.

[Translation]

Oral Questions

PENSIONS

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, last year the government passed a law which said that a surplus cannot be taken from a pension plan without a two-thirds majority vote of the employees. Now the government is rushing through a bill which will give it the authority to take the entire surplus from the civil service pension plan, over the objections of the employees.

• (1435)

My question is for the President of the Treasury Board. Why does the government impose restrictions on the private sector pension plan withdrawals while giving itself the right to raid the civil service pension plan over the objections of the employees?

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, my hon. colleague is wrong. Once again he does not understand what is going on.

With private sector pension plans, when the risk is shared between employers and employees, there is a sharing of deficits and surpluses. In this case we have a legislated plan, a plan where the benefits of civil servants are guaranteed by law and a plan where the government has paid for all the deficits before. Not a cent has been charged to the public servants. In this case the legal situation is clear. The surplus belongs to taxpayers.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, let not the President of the Treasury Board confuse the issue.

The employees, civil servants, make a definite contribution to their own pension plan. That contribution is going to be going up after the bill goes through, so do not say they do not contribute anything.

I want to know if the government is going to have a vote with the civil servants to see what they think about taking the \$30 billion out of the surplus. Will you have a vote or will you not?

The Speaker: Order. Hon. members will know that they should address the Chair in their questions and in their answers.

The hon. President of the Treasury Board.

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, once again, that surplus belongs to the taxpayers because the public servants have not paid one cent of the deficits that have been accumulated in the plan.

When the plan was indexed, that plan acquired a liability of \$8 billion and more at one go. No public servant paid a cent of that \$8 billion deficit. The taxpayers were in charge of paying and that is still the situation.

MILLENNIUM SCHOLARSHIP FOUNDATION

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témis-couata—Les Basques, BQ): Mr. Speaker, while students are being deprived of money because the federal government is still stubbornly refusing to negotiate with the Government of Quebec, plans to establish the millennium scholarship foundation are moving forward.

With not a single scholarship yet awarded, how much money has the federal government spent to date on setting up this new bureaucracy, creating further duplication?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, first, I must point out that negotiations with a number of provinces are going very well.

The millennium scholarship foundation should soon be in a position to sign agreements that will enable students to benefit from millennium scholarships and thus pursue their education for as long as possible.

I can assure the House that many Canadians and Quebeckers would also like to see students from Quebec benefit from these scholarships. The Government of Quebec and the foundation should reach an agreement whereby Quebec's students could benefit as well.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témis-couata—Les Basques, BQ): Mr. Speaker, is \$150 million over ten years not the exact cost of the thirst for visibility of the Prime Minister, who thought nothing of another costly duplication so that his name would be associated with the new millennium?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, it amuses me no end to hear the Bloc Quebecois talk to us about thirst for visibility, when we see that they have even tacked "quebecois" onto the name of their party in order to monopolize our nation's symbols, and when we see their intensive publicity efforts in recent weeks. They have spent the last few weeks telling us about the Quebec identify and surveying us—

The Speaker: The hon. member for Calgary—Nose Hill.

* * *

[English]

PENSIONS

Mrs. Diane Ablonczy (Calgary—Nose Hill, Ref.): Mr. Speaker, clearly too much has been paid into the public service pension plan because now there is a big surplus of \$30 billion. The government is saying "Thank you very much, that is mine," even

though public servants themselves have paid into the plan, too much obviously since there is a surplus. Now this legislation is going to make the public service pay 30% more into the plan that they are already paying too much into. How can the government explain that?

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the contribution paid by public servants to the pension plan is a fixed contribution that was equal to 7.5% of their salary. For that price, they got benefits that are among the richest in the country, and fine. Public servants have worked hard and deserve their pension plan.

• (1440)

However, they did not share any of the risk in the pension plan. Whenever there were deficits, it was the taxpayers of Canada who paid for them, not the public servants. The lawyers, the accountants, the actuaries and the auditor general are very clear that this surplus belongs to Canadian taxpayers.

Mrs. Diane Ablonczy (Calgary—Nose Hill, Ref.): Mr. Speaker, if public servants are not taking part of the risk, why are they having to pay more? Clearly, there is some determination that they have to take more of the risk. They have to make a bigger contribution.

There are many questions that need to be talked about in this whole bill. It is over 200 pages. Yet after only four hours, the government is trying to shut down debate. What is the government hiding? Why does it not want a full exploration of these very important questions?

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, my hon. colleague misunderstands the question.

The reason there is an increase in contributions is simply that public servants in the future will be treated exactly like any other Canadian taxpayer and they will pay the increases in the Canada pension plan. What does my colleague want, that public servants pay something that discriminates against other taxpayers? What does she want, that the public servants would pay less than what every other Canadian taxpayer will pay? Come on.

[Translation]

Mrs. Pierrette Venne (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, with Bill C-78, the government is planning to raid all the accumulated surplus in its employees' pension fund. This is the latest in a long series of blows dealt by this government, which is essentially incapable of discussing and negotiating in a civilized manner with its employees.

My question is for the President of the Treasury Board. Why does the government not do what was done in Quebec and negotiate with its employees a use for the surplus that would suit everyone?

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, unfortunately, there is a legal precedent, which goes all the way to the supreme court and which is known as The Province of Quebec v. Villeneuve, in which the supreme court said very clearly that the Province of Quebec was entitled to appropriate the surplus.

It was entitled for the same reason we are, namely that deficits have always been paid by taxpayers and so the surpluses belong to the taxpayers.

* * *

[English]

TRADE

Mr. Murray Calder (Dufferin—Peel—Wellington—Grey, Lib.): Mr. Speaker, my question is for the Minister of Agriculture and Agri-Food.

It is my understanding that last week some Reform MPs met with their political brethren in the United States to discuss border trade problems. Does the Minister of Agriculture and Agri-Food believe that this kind of initiative will affect the trading relationship we enjoy with the United States?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the government welcomes all initiatives to improve the trading relationship between Canada and the United States. That is why over five months ago with the United States we embarked on a 17 point plan of action including a consultative committee to address issues before they became hotter issues between our two countries. Progress is being made. We are pleased that five months after we did that, the Reform Party has started to participate.

* * *

ABORIGINAL AFFAIRS

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, last Thursday B.C. Liberals walked out of the legislature in protest over the cutoff of debate. Even Frank Barton, a Nisga'a band member says that grassroots Nisga'a people have not been heard from. Respected Nisga'a elder statesman Frank Calder has said that the process has been badly tainted.

Does the minister still intend to bring this legislation into this House when everybody we have heard from in British Columbia says that the process is so badly tainted?

Hon. Jane Stewart (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, let us be clear that no matter when this government brings the Nisga'a legislation to the House, that party will stand against it. We know that because it has done it every other time we have brought forward a piece of legislation

that supports and improves the lives of aboriginal people in this country.

The member talks about grassroots aboriginal people. He represents the Nisga'a First Nation. How is he going to stand here against the Nisga'a treaty when 5,000 of his constituents support it?

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, the minister should get her facts right. Only 2,300 actually live in my constituency.

● (1445)

The minister knows that for this treaty to be successful she must have public confidence and she knows that the people of British Columbia are appalled at the ratification process. She knows that the Nisga'a people themselves are appalled and have said that this process is badly tainted.

How can she possibly proceed with legislation in the House when she knows that the people of British Columbia and the Nisga'a people have said that this process is so badly tainted?

Hon. Jane Stewart (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I will tell the member what the Nisga'a people are appalled at. They are appalled that this member, their representative, has not ever met with the president of the Nisga'a tribal council, Joe Gosnell.

They are wondering how the critic for the Reform Party can dare stand in the House, talk about grassroots people, talk about the Nisga'a, not ever having met with their president and their leadership.

TRANSPORT

Ms. Wendy Lill (Dartmouth, NDP): Mr. Speaker, my question is about plutonium. Today the International Association of Fire Fighters added its voice to environmental groups, thousands of concerned citizens and an all-party parliamentary committee in calling for a moratorium on the transportation of plutonium through Canadian communities.

Will the minister listen to the growing chorus of Canadians?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, I answered this question last week. There has been no emergency response request plan filed by AECL for the transportation of this particular material. Our department has not received a request.

It is up to Transport Canada under the Transportation of Dangerous Goods Act to approve the transportation of these substances.

I remind the House that 800,000 shipments annually of radioactive material occur in Canada and they occur, by and large, without incident.

Oral Questions

We have a very elaborate response program and tracking plan called CANUTEC in Transport Canada that does the job well in looking for safety issues.

Ms. Wendy Lill (Dartmouth, NDP): Mr. Speaker, I think the minister's stonewalling is nothing short of arrogance.

The minister is not a safety expert. Firefighters are safety experts. Their leaders today said that they do not believe in the government's safety assurances when it comes to its plan to transport plutonium. They say the plans are irresponsible and that an accident is waiting to happen.

What will the government do about the concerns which Canadians have about plutonium?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, we have a Transportation of Dangerous Goods Act in this country which is second to none in the world. We have the highest standards of transporting these goods.

There are 27 million shipments of dangerous goods annually. Very few, less than 1% of those shipments, ever spill or cause problems. We have a tracking system and safety response systems which make sure that all emergencies are attended to.

Much of the information put out by the International Association of Fire Fighters is erroneous and does not do credit to the firefighters in the country who do a terrific job under all circumstances.

* * *

FISHERIES AND OCEANS

Mr. Bill Matthews (Burin—St. George's, PC): Mr. Speaker, last Tuesday, Judge Fowler of the Newfoundland provincial court ruled that DFO's main piece of evidence against Newfoundland sealers, an International Fund for Animal Welfare videotape, was not an original, that it had been altered and changed and did not meet the court's continuity principle requirement.

Now that the most important piece of evidence of the Department of Fisheries and Oceans, the videotape, has been judged inadmissible, will the Minister of Fisheries and Oceans be dropping the charges against those Newfoundland sealers who were wrongly charged because of an edited and doctored videotape?

Mr. Wayne Easter (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, because this issue is before the courts it would be improper for me to speak to it.

Mr. Bill Matthews (Burin—St. George's, PC): Mr. Speaker, in 1996 Mr. Chris Wicke, an employee of the International Fund for Animal Welfare and a key witness, gave false information, including his business card, to DFO officers.

Mr. Wicke also used fictitious names and addresses and lied to DFO Officer Marvin Oake. He also signed a false application to gain access to a sealing vessel.

Judge Fowler stated that Chris Wicke was a biased witness who behaved like a sophisticated con man. Chris Wicke still has not been charged.

Why were Newfoundland sealers wrongfully charged and why has Chris Wicke not been charged?

• (1450)

Mr. Wayne Easter (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, as I indicated earlier, it would be inappropriate for me to speak to a case that is before the courts. However, I can tell the member that the minister is looking very closely at the sealing issue. The Standing Committee on Fisheries and Oceans is looking at the issue. Any decisions that we make on that issue in the future will be based on good scientific advice.

* * *

TRANSPORT

Ms. Marlene Catterall (Ottawa West—Nepean, Lib.): Mr. Speaker, my question is for the Minister of Transport. As the minister knows, there has been a lot of public concern about air bags and the safety of children in cars equipped with air bags. The House deserves to know and I would ask the minister to tell the House about a national program which he announced this morning to protect our children from that danger.

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, surveys show that up to one-third of children do not use seatbelts. That is something which results in about 10,000 injuries a year.

As far as the federal government is concerned, we want to heighten awareness. What we announced today was an information program, highlighted by a video called "Car Time: 1-2-3-4", which was demonstrated in the hon. member's constituency.

I am pleased to say that this is one way that younger Canadians can be reminded of the absolute necessity of buckling up to prevent injury.

* * *

CANADIAN WHEAT BOARD

Mr. Jake E. Hoeppner (Portage—Lisgar, Ref.): Mr. Speaker, there are over 100 farmers being prosecuted for custom's violations for selling their own grain.

Hudye Soil Service, probably the biggest violator of wheat board and customs regulations, is now about to enjoy an out of court settlement. Meanwhile, the 100 poorer farmers are forced into lengthy legal battles.

Why is the government enforcing the letter of the law with poor farmers when it is willing to negotiate and settle out of court with this rich farmer?

Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, in my capacity as minister responsible for the Canadian Wheat Board I have to advise the hon. gentleman that I am not aware of any recent development that he may have referred to in his question.

He and I have had the opportunity to discuss the particulars of this matter. He has asked for further information. I have undertaken to try to provide that information to him; however, at this stage I am not in a position to do so.

* * *

[Translation]

AIR TRANSPORT

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, when the Minister of Transport was questioned in the House on the Baie-Comeau and Gaspé air tragedies, he said that he was waiting for the end of the Transportation Safety Board investigation before making any statement on safety equipment.

Since the outcome of the investigation will not be known for a year, does the Minister of Transport intend to ask Nav Canada to suspend the closure of flight information stations in the small airports, such as Roberval, until the results of the investigation are known?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, as the hon. member is aware, air traffic operations and the determination of levels of service have been the responsibility of Nav Canada for the past three years now.

We will continue with the changes, but we have to await the Transportation Safety Board report before making changes.

* * *

[English]

JUSTICE

Mr. Gordon Earle (Halifax West, NDP): Mr. Speaker, the government has attempted to explain away the question of racism which surfaced during its recent judicial appointments when it overlooked Corrine Sparks, a senior black female judge, by claiming that there were more judges than positions available, but then appointed one person who was not even a judge.

Will the Liberal government now send a positive message of hope to Canadians of colour by committing to a full review of this

decision or is the government aiming to condemn black judges to the back seat of the judicial bus?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, let me say on behalf of myself and the government that I take very strong exception to the remarks made by the hon. member.

The hon. member should know that I take some considerable pride in the fact that I and the government appointed the first black judge in the province of Alberta to a superior court.

[Trans

Mr. Rick Borotsik (Brandon—Souris, PC): Mr. Speaker, the light bulb has finally come on in the office of the Minister of Agriculture and Agri-Food, albeit it is a very dim light bulb.

AGRICULTURE

Last week the minister announced the extension of the AIDA application deadline to July 31. I would like to thank the minister for the extension. However, it does little to resolve the problems plaguing the program.

Does the minister honestly believe that the extension is going to solve the problems that are inherent in the design and delivery of the AIDA program?

• (1455)

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the challenge that we have in delivering the program is getting the producers to fill out the seven-page forms and getting them to send them back. There have now been over 24,000 forms sent out. A number of the provinces are already delivering cheques.

As I said to the hon. member and to the House last week, in the provinces of Saskatchewan and Manitoba, where most of those 24,000 forms have been sent, because the others are being administered in partnership with the federal government and the provinces, the cheques will be in the mail this Friday.

ABORIGINAL AFFAIRS

Mr. Chuck Strahl (Fraser Valley, Ref.): Mr. Speaker, for three years now in order to protect salmon stocks in the Fraser River there has been a moratorium on gravel extraction from the river. Gravel operators have been put out of business or forced to search for alternate gravel supplies.

At this moment, however, the Cheam Indian Band has started to remove 100,000 cubic metres of gravel from the river and DFO officials seem powerless to stop it. Gravel operators and biologists would like to know why there is one set of rules for the Indian band

and another set of more stringent rules for everyone else. I wonder if someone could explain that for the people of my riding.

Hon. Jane Stewart (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the government is committed to ensuring that aboriginal people in this country have access through their inherent rights to the strategies and the undertakings that will allow them to be full partners in the economy of this country. That is the strategy of the government and it will build strong, healthy first nations into the future.

* * *

[Translation]

IRVING WHALE

Mr. Yves Rocheleau (Trois-Rivières, BQ): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

The fishers of Îles-de-la-Madeleine are concerned about the federal government's decision to leave the PCBs from the wreck of the *Irving Whale* on the ocean floor.

Does the Minister of Fisheries realize the potential negative impact on fisheries products exports of the presence of PCB contaminated products, as a result of this negligence?

[English]

Mr. Wayne Easter (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, yes, the minister and the department are very aware of the decision. There should be no impact on the export of products. Three options were considered in terms of the decision. When the decision was made we took into consideration full safety factors so that there would be no damage to any fish stocks in the area.

* * *

PUBLIC SECTOR PENSION PLANS

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, the President of the Treasury Board was quoted in today's paper as saying that pensioners do not stand a chance in hell of getting their hands on any of the \$30 billion surplus. That makes us wonder: If that is true, why does he need to change the legislation? If his position is so rock solid, why is he ramming through a complex bill such as Bill C-78 after only four hours?

Will the government at least guarantee that there will be extended committee hearings right across the country so that the 670,000 Canadians who are directly affected will have some voice where their elected representatives do not?

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, during the history of the pension funds, every time there has been a deficit, every cent of the deficit has been paid by the Canadian

Privilege

government and therefore by the Canadian taxpayers. This is a legislated plan whereby the benefits are promised to the employees. It is legislated by law, whatever the state of the plan.

Once again, the lawyers, the actuaries, the accountants and the auditor general are clear that the surplus belongs to the taxpayers.

* * *

AGRICULTURE

Mr. Rick Borotsik (Brandon—Souris, PC): Mr. Speaker, the minister of agriculture says that 24,000 applications have been sent out, but only 291 applications have been returned. The agriculture minister says that \$900 million is sitting there, waiting to go into farmers' pockets, but not one red dollar of federal money has fallen into the pockets of western Canadians and Canadian producers.

Does this minister wish to have the \$900 million spent on agriculture or does he wish to return it to the Minister of Finance when the program does not work?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the hon. member does not have his facts straight. Federal dollars are flowing to farmers in a number of provinces.

I read comments which were made by the hon. member and his leader last week. They suggested that we mail out the money and ask questions later. Obviously that is what that government did when it was in power and that is why we had a \$42 billion deficit. That is not the way to do it.

* * *

• (1500)

PRESENCE IN GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery today of His Excellency Vladimir Vetchy, Minister of Defence of the Czech Republic.

Some hon. members: Hear, hear.

The Speaker: I also draw the attention of hon. members to the presence in the gallery today of His Excellency Jozef Torgyan, Minister of Agriculture of Hungary.

Some hon. members: Hear, hear.

PRIVILEGE

MEMBER FOR PROVENCHER

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, I rise on a question of privilege with regard to the member for Provencher who on Thursday, April 22, 1999, deliberately divulged informa-

tion from an in camera meeting of the Standing Committee on Indian Affairs and Northern Development.

The evidence is prima facie and is now a part of the record of the House, recorded at page 14225 of *Hansard*. The member made a reference to something I said at that standing committee meeting, and I quote:

—when in the standing committee he was arguing to have the budget tripled and to move quickly on the Nisga'a treaty.

He went on to say:

I reiterate that the member for Skeena asked for a tripling or a doubling of the budget of the standing committee on Indian affairs to bring in people and to hear witnesses on this particular issue.

The meeting he was quoting from was an in camera meeting of the Standing Committee of Indian Affairs and Northern Development, which was held on April 13, 1999. *Beauchesne's* sixth edition, citation 851, reads:

When a committee chooses to meet *in camera*, all matters are confidential. Any departure from strict confidentiality should be by explicit committee decision which should deal with what matters should be published, in which form and by whom.

Without divulging the discussion of the in camera meeting, I will only say the committee did not make a decision to make the minutes public.

What is further disturbing, and I would add a further contempt, is the fact that the member has misrepresented the confidential information by also misquoting me.

Since I cannot divulge the confidential minutes of the committee, I can correct the record of *Hansard* which is public. The member should have accurately quoted me as saying that I urged the committee to increase the base funding being proposed by the Indian affairs committee at that time because the Nisga'a legislation was coming down and I wanted to ensure that we had adequate funds available for the committee to travel to British Columbia. I in no way asked that the committee move quickly on the Nisga'a treaty, as the parliamentary inaccurately stated.

On April 20, 1999 the matter of the government leaking a government response to a report of the Standing Committee on Foreign Affairs was raised in the House. The next day the government House leader apologized for the leak and assured the House it would not happen again.

• (1505)

The very next day after he issued that apology, the Parliamentary Secretary to the Minister of Indian Affairs and Northern Development stood in the House and quoted from an in camera meeting. The apology from the government House leader has just been negated by the Parliamentary Secretary to the Minister of Indian Affairs and Northern Development.

The House must take action and protect its authority and the authority of its committees. If you rule this to be a prima facie question of privilege, Mr. Speaker, I am prepared to move the following motion:

[English]

Routine Proceedings

That the hon. member for Provencher, the Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, be charged with contempt and ordered to appear before the bar of the House to be admonished by the Chair for breaching the confidentiality of the in camera meeting of the Standing Committee on Aboriginal Affairs and Northern Development held on April 13, 1999.

The Speaker: The hon. member mentions a specific member, the hon. member for Provencher. That hon. member is not in the House at this time but I would like to hear what he has to say on this particular matter before I make any decision.

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, as you correctly pointed out, I want to hear information from the hon. member for Provencher, the Parliamentary Secretary to the Minister of Indian Affairs and Northern Development.

It has come to my attention that the information he made available to the House in responding to a question the other day was already in the public domain long before. We will endeavour to get that information.

An hon. member: It was not.

Hon. Don Boudria: The hon. member across says "It was not". I do not know how he can make that affirmation without having seen the proof that the hon. member will be bringing to the attention of the House. I understand from conversations I have had that such was the case.

As soon as the hon. member for Provencher returns, I will ask him to reply directly to what the hon. member has said, in particular bearing in mind the information I received from him which is to the effect that the information in fact was in the public domain already. I will nevertheless ask the hon. member to address that upon his return.

The Speaker: I think we have set the stage. We have an allegation by one hon. member about something that was said. He quoted it directly. It was said in the House of Commons. There was nothing written. It was said in the House of Commons and it is recorded in *Hansard*.

At this point I would like to hear what the hon. member for Provencher has to say, so I will wait until he is in the House and we will hear what he has to say about it.

ROUTINE PROCEEDINGS

[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 six petitions.

Mr. Bill Matthews: Mr. Speaker, I rise on a point of order. I am somewhat surprised today that we do not have a ministerial statement flowing from the NATO conference in Washington over the last few days.

Certainly with the significance of this conference to the world and our involvement as a country—

The Acting Speaker (Mr. McClelland): It was a nice try, but it certainly was not a point of order.

* * *

[Translation]

INTERPARLIAMENTARY DELEGATIONS

Mr. Louis Plamondon (Bas-Richelieu—Nicolet—Bécancour, BQ): Mr. Speaker, pursuant to Standing Order 34, I have the honour to table, in both official languages, the report of the Canadian section of the Parliamentary Assembly of the Francophonie, as well as the related financial report.

The report has to do with the meeting of the PAF commission on education, communications and cultural affairs, which was held in Niamey, Nigeria, on February 15 and 16, 1999.

* * *

• (1510)

EMPLOYMENT INSURANCE ACT

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témis-couata—Les Basques, BQ) moved for leave to introduce Bill C-500, an act to amend the Employment Insurance Act (waiting period).

He said: Mr. Speaker, I am pleased to introduce this bill today, following repeated requests by workers. We know that the Employment Insurance Act provides for a two week waiting period during which people who have lost their jobs are not eligible to benefits.

In the present context, where eligibility rules have been tightened, I think this is a simple way to give an important part of the EI fund surplus back to workers when they are unemployed. A person who earns \$400 a week would receive two more weeks of benefits at \$220, which would give that person an interesting refund on the EI fund surplus.

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

* * *

EMPLOYMENT INSURANCE ACT

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ) moved for leave to introduce Bill

C-501, an act to amend the Employment Insurance Act (self-employed persons).

He said: Mr. Speaker, with a view to ensuring that the Employment Insurance Act reflects reality on the labour market as faithfully as possible, this bill is aimed at allowing self-employed persons, a new category of workers who are currently covered by no plan, and do not come under the Employment Insurance Act to get basic insurance, on a voluntary basis, in case they lose their job.

My bill will therefore fill a major gap and allow many young men and women to have basic security, on a voluntary basis, in case they lose their job.

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

INCOME TAX ACT

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ) moved for leave to introduce Bill C-502, an act to amend the Income Tax Act (deduction of expenses incurred by mechanic for tools required in employment).

He said: Mr. Speaker, the aim of this bill is to allow persons employed as mechanics to deduct the cost of the tools required for their work which they provide, if it is a condition of their employment.

The deduction includes amounts expended for the rental, maintenance and insurance of the tools, the total cost of tools worth \$250 or less subject to some adjustments as may be allowed in the regulations to take into consideration inflation, and for tools over \$250 the amortization of the capital cost as set out in the regulations

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

* * *

● (1515)

[English]

AN ACT TO AMEND THE CONTRAVENTIONS ACT AND THE CONTROLLED DRUGS AND SUBSTANCES ACT (MARIJUANA)

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.) moved for leave to introduce Bill C-503, an act to amend the Contraventions Act and the Controlled Drugs and Substances Act (marijuana).

He said: Mr. Speaker, this bill seeks to decriminalize, not legalize, the simple possession of marijuana. The reason is quite simple. In our justice system today, the resources our police have to do their job and to prosecute are severely limited. In my province

of British Columbia six courts have been closed. As a result, serious offences like rape and assault are not being prosecuted to the fullest extent.

This bill is intended to seek a fine for those who are found with simple possession. That money could then be used to engage in prevention. It could be put into education programs for children. We could deal with prevention and substance abuse issues.

I am happy to introduce this bill which is being supported by the Canadian Police Association.

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

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Randy White (Langley—Abbotsford, Ref.): Mr. Speaker, I move that the 48th report of the Standing Committee on Procedure and House Affairs presented on Tuesday December 8, 1998 be concurred in.

I am not sure how much of a pleasure it is to speak to this motion. I should not have to be standing here in the House today speaking to it. This motion should have gone forward and should have been dealt with in the House some time ago. Nevertheless I am going to take my time and go through several issues relating to this committee that were supposed to have come from the procedure and House affairs committee to speak to the report on televised committees.

Some questions have to be asked. Why is it necessary to begin speaking about a seemingly isolated report from a committee? Why was the report not dealt with by the House of Commons? What is in the report that the government does not want to deal with in the House? Since the report was adopted by all parties, why has the pilot project contained in the report not gone ahead? Where do we go from here?

I will address the question of why it is necessary that we are here today speaking about this issue. This is indicative of most committee work in the House of Commons. A lot of members in the House of Commons spend a lot of time doing committee work. In this particular committee when we were dealing with getting more television coverage in committee, we spent a great deal of time in the House on the matter.

Did we all disagree in committee? No. In fact we all agreed, including the government whip and members opposite who were sitting on the committee. They said that it was not a bad idea, that we were approaching the year 2000 and perhaps we should allow committees to have television coverage equal to other media coverage like newspapers, radio and so on. So we said, why not try

a pilot project in the committee. Sounds good. We all agreed on it. If we all agreed on it, where did it go from there?

● (1520)

It came out of the committee, into the House, a report was tabled and non-action. Why no action? Presumably somebody over on the government side, I guess the cabinet, said, "We do not want more coverage by the television networks in committees so let us just drop it". Nothing happened.

I asked three times in House leaders meetings, "Where is this committee report? What are you doing about it?" The response, "Ho hum, we just do not want to deal with it now". Finally, I went to a House leaders meeting several weeks ago and the government House leader said, "I have a new deal for you. Why do we not equip one more committee room and spend the money on television cameras and so on and we will treat it like the only other room we have," which is room 253-C I think it is in the House of Commons.

Out of the blue the government House leader made an offer totally unrelated to the results of the report and the results of the committee. I am going to show that in a few minutes. We are supposed to accept this kind of deal under the table and get on with life. He totally disregarded all of the work of all of the members on the committee. He totally disregarded all of the recommendations and came up with his own little brainstorm.

One has to ask therefore, what is the value of a committee in the House of Commons? Do they all work like this? Yes, many do. A lot of members in this House of Commons go to committees. They undertake hard work on behalf of their constituents and on behalf of people who believe in what they are doing. They think that after a report is dealt with, something valuable is going to come of it. However, once it gets outside and in the House of Commons, zero, nothing. Is it any wonder that we think and are convinced committees are all but useless in this House of Commons. I do not think so.

I guess we can look at it that maybe there are better things to do. Why not look at how petitions operate in this House of Commons. Same thing. People go all around the country getting signatures for things they believe in, things they trust that they can change, and what happens? It comes into the House of Commons and I hate to tell everybody, it goes nowhere, absolutely nowhere. It does not even come to a vote in the House of Commons.

This is going to be more of a discussion on what is wrong with committees in addition to why can we not have televised committees. There are reasons we want televised committees, by the way, and we will cover that as well.

What is in this report? I must say when I was first approached by this, I was quite impressed by the representation in particular from

Routine Proceedings

LeeEllen Carroll, the director of the Canadian parliamentary press executive, who is very forthright in her positions and a professional indeed. There were no hidden agendas with this individual. She came to me and said, "Look, what is fair is fair. Why do we not have televised committee meetings in all committee rooms?" It sounded great to me and in fact she made a very professional presentation to the committee, along with Craig Oliver, a well respected and renowned individual in media circles.

All of this information was taken by committee members and thought to be very well done. The end result of course is "Well, that does not matter".

Let us look at the recommendations. These are some of the comments in the report that came from the committee to the House: "Much of the coverage of the House of Commons is focused on question period. This is only part and, arguably, a distorted view of the work of the House and involves only a handful of members". That is absolutely correct. Look at the House today. Listen to this. There are more people in a committee than are in here.

A lot of good work in 20-some committees goes on in the House. Unfortunately, the results of those committees are basically taken with a grain of salt by the government.

● (1525)

The report acknowledges that room 253-D is used for broadcasting purposes in the House. The experience appears to have been very positive and has been well received by members of parliament and the public. Are there concerns with the way things are televised in that room? No, there has not been. Should there be concerns with televised proceedings in other committee rooms? I do not think so. Experience has not led us to believe that.

"Members feel that it would now be appropriate to expand the coverage of committee proceedings to permanently equip another room for broadcasting committees. However, it is not feasible or desirable at this time". This is interesting. Should we have permanent facilities, much like we do in 253? No, we think there is a better idea, we say. Let us find out what that is.

By the way, the report says that there should be no discrimination between electronic and print members of the press gallery in carrying out professional duties. I wholeheartedly agree with that and so did the committee.

What else does it say? "We note that the essential purpose of broadcasting committee meetings is to enable Canadians to better understand the work of parliament and to make the House and its work more accessible and transparent". This is an excellent idea, a good idea. Let us implement that. That was one of the recommendations.

Here are some specifics: "All committees should be given an opportunity to have some meetings broadcast". Good idea. "Provisions should be put in place to ensure broadcasting by the House of Commons broadcasting service and that it is balanced among all committees. The committee intends to monitor this". Great idea.

"The electronic media will be allowed on a trial basis to June 30, 1999 to film any public committee meetings held within the parliamentary precincts in Ottawa, subject to certain guidelines". Good idea. "It should be gavel to gavel filming". Great idea. "The filming must respect the spirit of an electronic *Hansard* and will be subject to the same general guidelines, rules and policies as applied to the broadcasting of the proceedings of the House itself". Excellent. I would concur with that, as did all members on the committee. "That they"—the electronic media—"deposit with the House of Commons a copy of the complete tape of each committee meeting that is filmed under these guidelines as soon as possible after the completion of the meeting". Good.

"The cameras must be in fixed positions while the committee is in session". Great idea. Nobody has complaints about that. "No more than three cameras will be permitted in a committee room at one time". Good. "Cameras and other equipment must be set up and dismantled as quickly as possible to minimize the disruption". That is fine, no problems. "The existing room light and committee sound system are to be used". Who could argue? "Camera operators will be required to be members of the parliamentary press gallery". No problem. "A member of the parliamentary press gallery wishing to televise a committee meeting must notify the clerk of the committee at least 24 hours prior to the meeting". That sounds sensible.

"We should respect the principle of balanced coverage to reflect the work of all committees of the House". No one will argue with that. "Those members of the press gallery who wish to take advantage of these arrangements will be required to first sign an agreement with the House agreeing to be bound by the guidelines". I could not agree more. "A subcommittee consisting of various members should be set up to oversee and monitor the implementation of this report". This is great.

If these are not such bad concepts, if these are not so tough, why is it that this is just another report from another committee that goes nowhere in this House of Commons? What is it on the other side of the House that says "If it does not come from our cabinet, it is no damned good"? It is wrong what those folks are doing.

Since the report was adopted by all parties, why is it that a pilot project like the one I have just described cannot be undertaken? Somewhere in cabinet is there somebody who says "I did not think of it so it will not be done"? Is it that the House leaders did not get an opportunity to see it first so it will not get done? No, that is not the case.

• (1530)

Is it just possible that all members, when television cameras get in a room, speak articulately enough that it embarrasses those people in portfolio positions across the way? Is it possible that someone on the other side is concerned about somebody having a bright idea? Is it just fundamentally possible that a committee could work better than the chambers of the House of Commons? I may be treading on some soft ground, but I sincerely believe that is the problem is here.

What about grassroots' input as compared to top down? Is it just possible that people who work in committees and travel around the country for input to bring into a committee know more than the ministers in cabinet about any specific issue? I think it is possible.

Where do we go from here? There is a certain bias against television and the media in these committee rooms. I respect all the media that are in these meetings, but there seems to be a fear on the other side that television will actually display incompetence, bias or a lack of knowledge on issues. If that is the case, would it not be better to have television cameras in the committee and have the skills and abilities of individual members improved?

The committee that is most often on television is the finance committee in room 253. I have never really seen any untoward comments made in that committee, nor have I seen anything inappropriate. In fact, I thought the level of debate was really quite high.

If we are looking at why we cannot proceed from here, the question has to be, why? Backbenchers, in particular on the other side the House, do not get much television time. I think the government House leader was overheard to say "It is just so the Reform Party members can get their faces on television". If we want that we can come in here anytime and speak to it.

This is not about getting one's face on television. This is about opening up the House of Commons to the real issues and real debates instead of going in camera. I might note that the pension debate we are facing right now is about to head into a committee. This is an important issue and yet it is likely it will not be televised. Why not? What is wrong with it? Why should we not have it open? Why should the Nisga'a agreement not be televised? There is nothing wrong with that.

It is time the House of Commons got into the year 2000 and beyond. I am sick and tired of our members wasting hour after hour, day after day in these committee meetings working on reports that go nowhere and end up in here even after all the Liberals in the committee sign those darned things off. They agree with them and yet they still go nowhere.

I am about to take issue with this. They will be hearing this speech time after time until such time as I get a reasonable argument as to why we cannot deal with this issue. It will be either that or maybe I will just have to start pulling our members out of committees until I get some kind of guarantee from the government that their time will be worthwhile and that the reports will be listened to. Something has to give here because I am not going to put up with it any longer.

• (1535)

Why has this report fallen on deaf ears? Why has nothing happened? For goodness sake, if the media, the very people government members depend on for their press releases and so on, cannot be given respect by hearing the government say "this is why we do not want this and why we are going to vote it down", or whatever it wants to do, then there is something wrong.

Do not just sit on this and have yet another useless report from a committee going nowhere but into the annals of government. What the government has to do is treat the media and the members of those committees with a modicum of respect. It must make their work worthwhile. Government members should not take the position that regardless of how sound a judgment and how great a decision some of these things are that because it was not their idea they are not going to do it. That is wrong.

The backbenchers over there, however few there are in here today, should have the courage of their convictions and stand up and say "Yes, why do my reports not come in here for a vote?" What is wrong with the people over there? Why do they not insist on it?

This is the first of many times that I will get up and speak to this until such time as I get an adequate answer.

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am the chair of the standing committee concerned. We are dealing with concurrence in our report No. 48. The member has picked out this report. Our committee, I believe, is now in the seventies in terms of reports that it has submitted.

I will make some comments about the report that the member quoted from selectively. There are five main recommendations.

The first one deals with the situation the member described. At the present time, as many viewers of CPAC will know, there is a committee room that is equipped for committee hearings and they are televised. Those proceedings are broadcast through CPAC when the House of Commons is not sitting. That has been quite successful. There is a procedure whereby committees go into that particular room. Recommendation one of the report dealt with that.

The second one dealt with the fact that the House of Commons already has portable television equipment which can be moved around and can go into committee rooms and particular committees. There is a procedure for doing that. Their proceedings can be taped and, in the same way, can go out over the CPAC channels at times when this room of the House of Commons is not in operation.

My colleague, the House leader for the Reform Party referred in part to that. Our House leader, very soon after the report was presented, made the suggestion that it might be very useful, as a point of departure for discussion, to discuss fully equipping another room so that committees could be broadcast from it. That was the second recommendation.

The third one, which is very important, was the recommendation with respect to CPAC. A consortium of cable companies tapes the proceedings in the same way as they are taping what I am saying now. It goes out across the entire country on the parliamentary channel. CPAC deposits a tape of these proceedings which becomes the electronic record of the proceedings of the House of Commons. There is a discussion about that.

I would suggest that the CPAC arrangement, if one talks to people across Canada, has been very well received as a creative way for getting what the House of Commons does.

● (1540)

The channel already has very creative programs, such as the scrums, the extended interviews with ministers and other people, and a variety of programs about the way the House of Commons operates. In my experience they have been very well received. The committee's recommendations on that are very important because it is basic to the healthy broadcasting of the House of Commons.

The fourth recommendation deals with the fact that the standing committee was very concerned, as is the hon. member opposite, that members' work in committee be better represented on the airwaves across Canada. We then came to the point of the pilot study, which was the focus of the House leader's speech. A proposal was made for a pilot study by the media with certain constraints, which he described.

The report contains four recommendations, which the hon. member has brushed over. The member was concerned about one of the recommendations, although he admitted that our House leader, very early on, proceeded with a suggestion which actually was a stronger presentation of one of the recommendations; the equipping of a second full time committee room where proceedings could be televised.

From the point of view of this debate, I will go back to the fact that my committee, which is one of 20 or 25 standing committees and subcommittees of the House, has presented over 70 reports. The normal procedure when reports come in is, if they are substantial and involve considerable changes, as this one does—and the hon. member is quite right about that—there is healthy discussion between the parties and the House leaders.

My colleague from the Reform Party is the leader in the House of his own party. Normally there is discussion about the reports because sometimes reports come in and some parties like one part and some parties like the other part. It is a healthy discussion and something comes from it.

In this case, I would suggest that healthy discussion was stifled by the Reform Party which did not take up the opening offer, as it were, of our House leader which was to go beyond one of the recommendations here and fully equip a second committee room.

It is very important that reports coming into the House be thoroughly considered. One of the best ways of doing that is for the House leaders to look at them, discuss them in great detail and then come back to the House and make recommendations which can be supported by all parties.

Although the Reform Party members express great interest in the matter, it is also of great interest to me personally as chair of the committee and to my hon. colleagues on this side of the House. It disappoints me that they did not engage in the normal dialogue that follows the tabling of a report in the Chamber.

I move:

That the debate be now adjourned.

Mr. Randy White: Mr. Speaker, I rise on a point of order.

I will agree with the motion on the proviso that I have the opportunity for questions and comments to the member opposite. He said some things that are quite inaccurate and I have to make some comments on them. Otherwise we will be going to a 30 minute vote.

The Acting Speaker (Mr. McClelland): There is a motion before the House. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

• (1545)

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. McClelland): Call in the members.

● (1625)

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

(Division No. 387)

YEAS Members

Ablonczy Abbott Adams Alcock Augustine Bailey Assadourian Axworthy (Winnipeg South Centre) Baker Bakopano Bélair Bélanger Bellemare Bertrand Bevilacqua Blondin-Andrew Ronin Borotsik Bonwick Boudria Bradshaw Brison Bryden Caccia Calder Cannis Caplan Casson Cauchon Catterall Chamberlain Chan Charbonneau Chatters Clouthier Coderre Collenette Comuzzi Copps Davies Cullen Desjarlais DeVillers Dhaliwal Dion Discepola Dockrill Dromisky Earle Eggleton Finlay Easter Fontana Forseth Gagliano Fry Gallaway Godfrey -Bathurst) Goldring Goodale

Godin (Acadie—Bathurst) Goldring
Goodale Gray (Windsor West)
Grey (Edmonton North) Grose
Guarnieri Harb
Harvard Herron
Hill (Prince George—Peace River) Hubbard

Kailger (Stormont—Dundas—Charlottenburgh)
Kilgor (Edmonton Southeast)
Knutson
Kraft Sloan

Knutson Laliberte Lill Lincoln Longfield Lowther MacAulay Mahoney Malhi Maloney Manley Marleau Mancini Mark Martin (Winnipeg Centre) Massé Mayfield Matthews McCormick

McCormick McDonough
McGuire McKay (Scarborough East)

McLellan (Edmonton West) McWhi Mifflin Minna Muise Mvers Nault Nystrom O'Reilly Pagtakhan Paradis Patry Peric Peterson Pettigrew Phinney Pillitteri Power Pratt Price Proctor Proud Redman Provenzano Reed Richardson Robillard Rock Scott (Fredericton) Saada Shepherd St Denis Steckle Stewart (Brant) Stewart (Northumberland) St-Julien

Stewart (Northumberland) St-Julien Strahl Szabo Telegdi Thibeault Torsney Ur

Vanclief
Wappel
Wilfert
Wood—158

Wanclief
they call upon parliament to examine ways to eliminate child pornography in Canada.

NAYS

Members

Anders Bachand (Saint-Jean)
Bellehumeur Benoit
Brien Chrétien (Frontenac—Mégantic)
Crête Dalphond-Guiral
Duceppe Dumas
Duncan Epp
Gauthier Gilmour

Grewal Harris
Kenney (Calgary Southeast) Marceau
Marchand Meredith
Obhrai Picard (Drummond)

White (Langley—Abbotsford)—25

PAIRED MEMBERS

Alarie Anderson
Asselin Beaumier
Bennett Bergeron
Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok)
Bigras Bulte
Byrne Carroll
de Savoye Debien

Desrochers Dubé (Lévis-et-Chutes-de-la-Chaudière)

 Duhamel
 Folco

 Gagnon
 Girard-Bujold

 Godin (Châteauguay)
 Graham

 Iftody
 Keyes

 Lalonde
 Lastewka

 Laurin
 Lavigne

 Lebel
 Lefebvre

Leung Martin (LaSalle—Émard)
Ménard Mercier

Ménard Mercier Mills (Broadview—Greenwood) Murray

Normand O'Brien (Labrador)
Perron Pickard (Chatham—Kent Essex)
Sauvageau Speller
St-Hlaire Tremblay (Rimouski—Mitis)

Whelan

Valeri

Wasylycia-Leis

The Acting Speaker (Mr. McClelland): I declare the motion carried.

* * *

• (1630)

PETITIONS

CHILD PORNOGRAPHY

Mr. Carmen Provenzano (Sault Ste. Marie, Lib.): Mr. Speaker, pursuant to Standing Order 36, it is indeed my pleasure to rise to present a petition signed by over 8,000 residents of Sault Ste. Marie and the greater Algoma district.

The petitioners observe that a recent ruling of the B.C. supreme court has for all intents and purposes legalized the possession of child pornography. The petitioners ask parliament to acknowledge that child pornography is a threat to common Canadian values and

MERCHANT NAVY VETERANS

Mr. Peter Goldring (Edmonton East, Ref.): Mr. Speaker, I am pleased to present a petition containing over 200 names from people across Canada who add their voices to ask our government to support Canada's merchant navy veterans in their quest for recompense.

This weekend Mr. Gordon Olmstead, a long time advocate, passed away after a lengthy illness. I can think of nothing more fitting than to rename Bill C-61 the Gordon Olmstead act.

[Translation]

PAY EOUITY

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témis-couata—Les Basques, BQ): Mr. Speaker, I have the pleasure to present a petition signed by 46 people who ask that parliament intervene to have the government withdraw its appeal of the Canadian Human Rights Tribunal decision and implement the decision without further delay, in order to ensure that all women in the federal public service enjoy employment equity.

[English]

MMT

Mrs. Rose-Marie Ur (Lambton—Kent—Middlesex, Lib.): Mr. Speaker, pursuant to Standing Order 36, I am honoured to present a petition signed by residents of Grand Bend, London and Dashwood who urge parliament to ban the gas additive MMT. The petitioners note that studies under way at the University of Quebec show that MMT has adverse health effects, especially on children and seniors. They also note that car manufacturers oppose the use of MMT.

GRANDPARENTS RIGHTS

Mr. Maurizio Bevilacqua (Vaughan—King—Aurora, Lib.): Mr. Speaker, I have a petition in which the petitioners request that parliament amend the Divorce Act to give a grandparent who is granted access to a child the right to make inquiries and to be given information as to the health, education and welfare of the child, as supported in Bill C-340, an act to amend the Divorce Act.

TOBACCO

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton—Springdale, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present the following petition signed by concerned citizens of my riding of Bramalea—Gore—Malton—Springdale.

Currently many young people continue smoking despite clear evidence that it causes cancer.

Therefore the petitioners call upon parliament to encourage the government to lend its full support to well-funded educational and public awareness programs aimed at stopping the growing youth smoking trend.

RIGHTS OF GRANDPARENTS

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, grandparents, as a consequence of death, separation or divorce of their children are often denied access to their grandchildren by guardians. As a result, the petitioners request that parliament amend the Divorce Act to approve the provision as supported in Bill C-340 regarding the right of spousal parents, that is, grandparents, to have access to the children without having to go to court.

(1635)

HUMAN RIGHTS

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I am pleased to present a petition signed by a number of Canadians, including those from my own riding of Mississauga South, on the subject of human rights.

The petitioners want to draw to the attention of the House that human rights abuses continue to be rampant around the world in countries such as Indonesia and Kosovo. They also acknowledge that Canada continues to be recognized internationally as the champion of human rights. Therefore they call upon the government to continue to speak out against human rights abuses and also to seek to bring to justice those responsible for such abuses.

* * *

[Translation]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the following questions will be answered today: Nos. 190 and 211.

[Text]

Question No. 190—Mr. John Cummins:

With regard to the herring spawn-on-kelp fishery and the response to the directive of the Supreme Court of Canada in Gladstone that a new trial be held to establish the extent of licences that ought to be available to the Heiltsuk band: (a) were existing spawn-on-kelp licences purchased and transferred to the Heiltsuk in either 1997 or

1998, and if not, why not; were existing licence holders given the opportunity to sell their licences; (b) did the department of fisheries and its spawn-on-kelp technical working group prior to the issuance of additional licences in 1997 and 1998 undertake reviews of the economic impact on existing spawn-on-kelp licence holders of the creation of additional licences versus the purchase of existing licences, and if so, what were the findings and recommendations of each review, and which of the recommendations of each review were implemented; (c) did the department of fisheries and its spawn-on-kelp technical working group undertake reviews of the economic impact on existing licence holders of the creation of new licences following the 1997 and 1998 seasons, and if so, what were the findings and recommendations of these reviews and what action was taken in each case to implement the recommendations; (d) did the department of fisheries and its spawn-on-kelp technical working group prior to the issuance of additional licences in 1997 and 1998 undertake reviews of the impact of the creation of additional licences on herring and kelp stocks versus the purchase of existing spawn-on-kelp licences, and if so, what were the findings and recommendations of each review, and which of the recommendations of each review were implemented; (e) did the department of fisheries and its spawn-on-kelp technical working group undertake reviews of the impact on herring and kelp stocks of the creation of new licences following the 1997 and 1998 seasons, and if so, what were the findings and recommendations of each review and what action was taken to implement the recommendations of each review; (f) did the department of fisheries and its spawn-on-kelp technical working group prior to the issuance of additional licences in 1997 and 1998 undertake a review of the market impact, particularly on spawn-on-kelp prices, of the creation of additional licences versus the purchase of existing spawn-on-kelp licences, and if so, what were the findings and recommendations of each review, and which of the recommendations of each review were implemented; (g) did the department of fisheries and its spawn-on-kelp technical working group undertake a review of the market impact, particularly on spawn-on-kelp prices, of the creation of additional spawn-on-kelp licences following the 1997 and 1998 season, and if so, what were the findings and recommendations of each review and what action was taken to implement the recommendations of each review; and (h) what criteria were used to establish that additional spawn-on-kelp licences were required in 1997 and 1998; did the minister of fisheries or his department consider the impact the additional licences would have on existing licence holders and on the public right; has an assessment been made of the impact on the existing licence holders and the public right since the creation of the additional licences?

Hon. David Anderson (Minister of Fisheries and Oceans, Lib.): In the Gladstone decision the Supreme Court of Canada ordered a new trial to consider whether the limitations imposed on the Heiltsuk were justified, not to "establish the extent of licences that ought to be available" to the Heiltsuk First Nation.

(a) Spawn-on-kelp licences: Existing spawn-on-kelp licences were not purchased and transferred to the Heiltsuk First Nation because of the high cost of spawn-on-kelp licences and because constraints on the allocation transfer program do not alllow for sufficient capacity to be retired from the spawn-on-kelp licence category. The Department of Fisheries and Oceans, DFO, facilitated the voluntary retirement of herring gillnet licences from the commercial fishing fleet to offset harvesting capacity resulting from the addition of new communal spawn-on-kelp licences in accordance with departmental policy.

(b), (c), (f) and (g) Economic and market impact: An economic/market assessment regarding spawn-on-kelp was conducted in 1997. The spawn-on-kelp technical working group has not conducted a formal review, but the issue has been discussed with industry participants. The 1997 study determined that the state of the Japanese economy is a critical factor in the demand for spawn-on-kelp, particularly Japanese income levels and exchange rates. The study also found that a previous increase in the number of licences had a temporary effect on prices, and therefore it recommended that future quantity changes should be gradual. The situation has been monitored since then, but no formal review of

the economic or market impact has been conducted, nor have there been recommendations.

In retiring herring gillnet licences and creating communal spawn-on-kelp licences, the objective is to keep overall harvest effort on herring stocks constant. The management plans reflect changes to the number of herring gillnet and spawn-on-kelp licences.

(d) and (e) Biological impact: Biological assessments of B.C. herring stocks are conducted every year. The herring gillnet, seine and spawn-on-kelp fisheries are monitored throughout the fishing season. Assessments based on in-season monitoring and other factors are used to determine the total allowable catch and herring management plans for subsequent years. The spawn-on-kelp technical working group did not do a formal review, but the issue was discussed and industry participants provided advice.

The harvest of macrocystis kelp used in spawn-on-kelp operations is carried out under the authority the B.C. ministry of fisheries. The B.C. ministry issues marine plant harvest licences, which include licence conditions on the area and quantity of kelp that may be harvested.

(h) The Supreme Court of Canada, in the Gladstone decision, 1996, found that the Heiltsuk tribal council had an unextinguished aboriginal right to trade herring spawn-on-kelp on a commercial basis. While the court did not quantify that right, some guidance was provided on matters that might be considered to determine whether the external limitations were justified. As part of the aboriginal fisheries strategy, AFS, discussions, DFO then consulted with the Heiltsuk on the number of licences to be issued for the 1997 and 1998 seasons. The minister considered the impact of additional licences on existing licence holders. Some commercial harvesting licences have been removed from the fishery. The spawn-on-kelp fishery is a limited entry fishery, which is open only to those who hold a licence. Public access has not changed as a result of the issuance of licences to the Heiltsuk tribal council.

Question No. 211-Ms. Caroline St-Hilaire:

With respect to the sums set aside by each department for the settlement of the federal public service pay equity issue: (a) what is the total amount of this reserve; and (b) in what government account is this reserve deposited?

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Annually, the Government of Canada establishes allowances as it deems necessary to present fairly the financial position of the government and the financial results of its operations for the year. Specific allowances are not disclosed as they may be prejudicial to court proceedings or negotiating contexts.

[Translation]

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I suggest that the remaining questions be allowed to stand.

The Acting Speaker (Mr. McClelland): Is that agreed?

Some hon. members: Agreed.

The Acting Speaker (Mr. McClelland): It is my duty, pursuant to Standing Order 38, to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Mississauga South—health.

GOVERNMENT ORDERS

[English]

PUBLIC SECTOR PENSION INVESTMENT BOARD ACT

The House resumed consideration of the motion that Bill C-78, an act to establish the Public Sector Pension Investment Board, to amend the Public Service Superannuation Act, the Canadian Forces Superannuation Act, the Royal Canadian Mounted Police Superannuation Act, the Defence Services Pension Continuation Act, the Royal Canadian Mounted Police Pension Continuation Act, the Members of Parliament Retiring Allowances Act and the Canada Post Corporation Act and to make a consequential amendment to another act, be read the second time and referred to a committee; and of the amendment.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I am pleased to continue the debate that was interrupted by question period and the proceedings since that time. I have largely covered the issue regarding the surplus in the plan at this point in time.

Other major issues in the bill, include the splitting of the CPP from pension plan contributions. As we know, employees of the civil service are the only employees in the country who have been making a combined CPP-pension plan payment. Now that the government has decided to increase CPP contributions dramatically over the next number of years it has split that out so that employees will have to pay the same CPP increases that everybody else is going to have to pay and perhaps pay more into the pension plan as well, if that is warranted at a later date.

The intention is to privatize the fund over the next number of years so that as new contributions are made, starting April 1, they will go into a new plan. Benefits will be paid out of the old plan, but new money will not go into the old plan, so when the old plan is broke and finished and fully disbursed, by that time it will be fully

privatized. It is complex stuff that shows the length the government is prepared to go to try to get its way.

One of the other things the government does is to redefine terms in the dictionary. I am looking at page 51 of the bill under "persons considered to be married". I find this rather interesting. It states:

For the purposes of this Part, when a contributor dies and, at the time of death, the contributor was married to a person with whom the contributor had been cohabiting in a relationship of a conjugal nature for a period immediately before the marriage, that person is considered to have become married to the contributor on the day established as being the day on which the cohabitation began.

Therefore, the marriage ceremony is irrelevant. The government has redefined the definition of the term marriage. As soon as one enters into a cohabitation arrangement, by the government's definition, one is married, regardless of what the dictionary says.

I will leave that point for Canadians to contemplate. As many people are concerned about the changes taking place in our society today, we now have the government leading the way in redefining the very simple word "marriage", which I think for generations has meant a ceremony in which people commit themselves to each other.

Then we have the other issue of it not only being people of the opposite sex but people of the same sex. The government has run into a real conundrum in trying to define a defined relationship, while at the same time leaving it open for virtually any kind of relationship to apply. I could not put on the record the complex terminology that government members have had to use in trying to say that the door is shut and open at the same time. As we can see, they have had to go through contortions to define that. That debate will continue on another day.

● (1640)

As I said at the beginning of my remarks, I think it is dreadful that a 200 page bill with complex legal language, dealing with issues as complex as actuarial assessments of pension plans, who benefits and who does not, who pays and who does not, who shares in the risk and who does not, and so on, should all be wrapped up in less than two days of debate because the government has introduced closure. That is an affront to the democratic process. I would hope that members opposite would hang their heads in shame for having trampled the rights of members of the House who have a right to speak on issues before the House, to express the wishes of their constituents and to express their own opinions on the issue.

We have a 200 page bill and the government says after a few hours of debate "That is enough. Thank you very much. We will move it to committee". We will no doubt have closure at committee. We will likely be refused to hear any witnesses. Government members will say that the job is done and that it should be brought back to the House. I can see closure being moved at third reading. That is how arrogant the government has become.

I hope that Canadians start to take this point seriously and start calling Liberal members of parliament to ask why they are doing this. Why are they putting a muzzle on parliament? Surely if free speech means anything it means free speech in this place. We do not have free speech. We do not even have the right to speak any more because of closure. It is a dreadful day for Canadians.

Mr. Tony Ianno (Parliamentary Secretary to President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, it is interesting how my hon. colleague puts on his sleeve what his real concern is.

Reform members are confused. They came here talking about their concern for the taxpayers and their money. This is a great opportunity for the member opposite to deal with this issue. However, because of the fear that somehow or other we might get credit for defending the taxpayers and their money, members of his party are unfortunately trying to find themselves once again, even though we know there is the united alternative, which some in his party want to kill.

There are many issues that come to this table. The member realizes that it is taxpayers' money, but he is trying to figure out where we can take this money. He stated earlier that it is taxpayers' money. It is not the government's money, it is the taxpayers' money. Yet he wants to take that money and put it into some safe somewhere and say "Do not give it to the government. Do not give it to the employees", because it is not for the employees, but somehow it should stay there because some time in the future there might be a deficit. Is that not interesting?

Canadians want their money back now. They want to know that the government is guaranteeing the pensions of its employees, and it is doing that. However, if there is excess money in a surplus, they want their money back, so that in effect they can have all of the services that they need and require, including receiving tax back, if necessary, on the issues at hand.

The hon, member stated that the Canadian taxpayers paid for the surplus and they are entitled to their money. Does he believe they should get it back? If not, what does he recommend we tell Canadian taxpayers that is different from what he has stated in the last several years?

Mr. John Williams: Mr. Speaker, I have to laugh when government members say they are protecting the taxpayers. How much tax relief are they offering because of this bill? It is a big, round zero. They are offering the taxpayers absolutely nothing in this bill because they know that they will stand one day and reduce the debt

by a bookkeeping entry and say "Look what we have done", but they offer the taxpayer nothing.

● (1645)

As I have said, the surplus arose because of circumstances. We have reduced inflation thankfully, after this government let it run out of control. We have a debt that it let run out of control. Thankfully, because we have been here pushing hard it has brought that under control.

Now we have a situation where the taxpayer is potentially at risk so the government can look good for the next election. That is what this bill is all about.

I refer to an article in the Ottawa *Citizen* on March 4, 1997. I cannot say his name but it talks about the Minister of Finance's hidden cash, "Government raids \$24 billion public service pension surplus". It is a raid. The civil servants are finding that their contributions into the plan are being taken.

We are saying leave the money in the plan to protect the taxpayer. We know that if the Liberals stay on that side of the House they will be soaking the taxpayer for a tax increase the minute it runs into a deficit. They cannot have it both ways. They should be honest and say what their position is.

Mr. John Bryden (Wentworth—Burlington, Lib.): Mr. Speaker, I listened to the member's remarks with great interest.

I want to draw his attention to the fact that the Canada pension plan was roundly criticized and condemned because the investments were primarily in government instruments, in government bonds, and consequently the CPP did not grow anything like the rest of the economy. By contrast, Quebec, which manages its own plan, the QPP, invested in market instruments and indeed attained a better level of solvency than the CPP.

It seems to me we are doing precisely the same thing with the public service pension plan. By taking it out of low risk, low return government instruments and giving the government an opportunity to invest it into the marketplace, we have an opportunity to benefit the taxpayer. Any money that is earned on that \$30 billion surplus will ultimately go directly or indirectly to lowering taxes. I would appreciate the member's remarks on that.

Mr. John Williams: Mr. Speaker, we have to remember that the government has already stopped paying any interest whatsoever on this actuarial surplus of \$30 billion. There is absolutely zero cost to the taxpayer at this point in time. That is saving the taxpayer about \$2.4 billion a year, give or take.

That is why if the money stays in the plan it will not cost the taxpayers anything but it will protect them against tax increases at

Government Orders

a later date at the whim of this government the minute there is a deficit. Surely a little buffer is not that bad because we know at the first opportunity the government will tax and squeeze more money out of the taxpayer. That is what we are trying to stop.

Ms. Bev Desjarlais (Churchill, NDP): Mr. Speaker, I want the member for St. Albert to clarify something.

He mentioned that the government is no longer paying interest on the surplus, but over the years it did do that. As a result, the money that was supposed to be set aside for pensions increased. While the government was considering that amount to be part of Canada's deficit, that it was money owed, it is now considering that same money to be part of a surplus that it will now use to offset the deficit. Does the member find the government's approach in its bookkeeping a little strange?

Mr. John Williams: Mr. Speaker, there are an awful lot of strange things in the government's bookkeeping. There are many, many things and this just happens to be one of them. The Liberals are going to say that they have done a wonderful thing. It is going to kick in before the election.

As I was saying before question period, they have \$2.5 billion sitting in a bank account for the Canada scholarship fund. It is already paid for. The taxpayer has put up the cash and nothing is coming down until next year. There was \$3.5 billion for the big announcement on health care. Again, it will not be available until next year. There was \$800 million for the centre for innovation that was paid for a couple of years ago. The money is sitting in the bank and is not going to be disbursed until next year.

Here the Liberals are taking the money from the pension plan. Presumably they will apply it to the debt just before the election and will say "Boy, we are doing everything". But when we look at the bookkeeping we find it is a front and that is not the way it is.

• (1650)

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I would like to ask my colleague to comment on the following.

It seems to me there is one commonality between what is happening here and what has happened to the EI fund, namely, the government is raiding a surplus. In the case of the EI fund, it took the money away from employers and employees and it has absolutely no intention of giving it back. It just brings it into general revenue. Now it is raiding this fund.

I would like the hon, member to comment on how those two situations are similar and on any differences he might detect in them.

Mr. John Williams: Mr. Speaker, it is a good question. The government raids every piggy bank it can find if it is going to make the government look good.

There is a little bit of difference between the EI fund, which is paid for by employers and employees, and this one. The taxpayer puts cash into the plan and they are not going to get this cash. We are not talking about tax relief. Not a penny of this is being promised as tax relief to the taxpayer, not a penny. The government wants to make a simple accounting change to reduce the debt and say how wonderful it is.

The Liberals tried to tell us how wonderful they were when I think it was Pierre Trudeau who said "Don't worry about the debt. We owe it to ourselves". Look at the mess we got ourselves into courtesy of the Liberal government.

Does the government think it is going to fix it with some smoke and mirrors type of accounting policies? No way. Taxpayers have worked darned hard. They have had to slog and pay high taxes. Now this government is going to put a smile on its face and say it is doing a wonderful job with smoke and mirrors accounting. I say that is the wrong way.

Mr. Steve Mahoney (Mississauga West, Lib.): Mr. Speaker, it is interesting to rise today. It is déja vu all over again for me, having gone through the experience of merging some teachers pension funds in the province of Ontario when I was in that legislature and arguing whether or not the government of the day, the David Peterson government, had the authority to merge pensions

Hon. Jim Peterson: That was a great government.

Mr. Steve Mahoney: The hon. member says that was a great government.

The experience we had there would be rather enlightening to members opposite, were they to look at the impact. In reality we had one pension in a deficit and another in a huge surplus. There were arguments about whether or not the contributions being made by the teachers were sufficient or fair in light of contributions being made by other employees in the public sector, and indeed in the private sector.

I can say that people in the private sector would be delighted to have a pension plan similar to the one we are discussing today and certainly similar to the one the teachers enjoyed and still enjoy in Ontario.

I can see that we are changing the guard. I should clarify for the Chair that I was told by the whip's desk that I should be discussing this for a full 20 minutes, as opposed to sharing my time.

In any event, the results of that legislative change in the parliament of Ontario were that we took a teachers pension fund that was in one sense in some jeopardy and by increasing the contributions and by taking the surplus into proper use, we were able to create one of the strongest pension funds in all of Canada, perhaps even all of North America. In fact, look at what it owns.

An hon. member: The entire world.

Mr. Steve Mahoney: It could be the world. You never know. I am not sure of the European, Asian or African experience, but it is very strong.

It owns the Toronto Maple Leafs, who are about to go on and defeat Philadelphia this evening, hopefully. It has amazing investments that are making wonderful returns for its members.

For whose benefit? That is what we hear in this place from members opposite. Who is going to benefit from these changes? They are trying to suggest that this is simply for the benefit of the Liberal Party or the Liberal government. That is absolute nonsense.

• (1655)

This is for the benefit of all Canadians and in my view, the changes here are for the benefit of those who will draw on that pension. This will ensure that that pension is sustainable for many years to come for the tens and possibly hundreds of thousands of pensioners who will draw upon it.

I wish to point out something which I find rather interesting. We went through the exercise of having a vote in this place. We voted on a motion to adjourn the debate. I am sure the public who were watching were somewhat confused. Why would we be voting on a motion to adjourn the debate and what debate were we adjourning?

The House leader for the official opposition put forward a motion on debate that we should have televised coverage of every committee operated from this place. On the surface that would seem to make sense. Why would we not want to have all the debates open to the public and televised? The reality is, and the reason I raise this point is that instead of getting on with the debate on a very important issue such as this bill and the changes to the pension act, what we got was a filibuster that is meant to do nothing more than put a wrench in the wheels of government. It is not substantive.

The member opposite knows full well that there are dozens of committee rooms throughout the parliamentary precincts. The rooms are in various buildings, across the street in the Wellington building, in West Block, East Block and Centre Block. They are all over the place. If we were to attempt—

Mr. John Williams: Madam Speaker, I rise on a point of order. I would like to bring to the member's attention that we moved off that subject when we had the vote. We are now on Bill C-78 which has nothing to do with cameras and committee rooms.

The Acting Speaker (Ms. Thibeault): The hon. member for

St. Albert does have a point. I would ask the member for Mississauga West to make a link between what he is saying right now and the bill.

Mr. Steve Mahoney: Madam Speaker, all I need is a bit of time to do that. I can see the link quite clearly. I heard the member who just rose on a point of order stand here and complain about closure. I do not know how that had anything to do with this bill.

What it had to with was the attempt by the opposition to delay this parliament, to stop us from having the opportunity to speak about this bill. That is exactly what it was about. Now we face the threat from the House leader who came halfway across the floor to say "You guys have had it now. We are going to keep on delaying".

Instead of getting on with the issue of whose surplus it is, instead of debating with my hon. friend who chairs the public accounts committee and does a commendable job at it, instead of getting to refute some of the points the member makes, we wind up wasting time. It is now five o'clock and question period was over at three o'clock. So what do we do. We kill the better part of two hours in this place because the members opposite simply want to stand up in an obstreperous manner to try to delay the proceedings of parliament with nothing whatsoever to be gained on the bill involved.

The question here is, whose surplus is it anyway? Let us look at the facts. We have a collective agreement. While I find the position of the Reform Party, in the usual fashion, somewhat off the wall, I want to at least give some credit to the NDP critic, the member for Winnipeg Centre. Even though I do not agree with the position the member is taking on this, at least the NDP is being consistent on this issue.

I will read from Hansard the NDP's view. This came from the member for Winnipeg Centre: "It is a basic tenet of the trade union movement that all pension surpluses are the sole property of the employee. They are not the employers' money to use as they see fit. They are deferred wages. It is our money speaking on behalf of working people". That has long been a position of the New Democratic Party. That is absolutely clear. Its stated philosophy or goal in life is to stand up in its own way and defend what it sees as the rights of the union.

(1700)

Then we get the other extreme that comes from members of the Reform Party. They say it is the position of the official opposition that these surpluses belong to neither the government nor outright to the unions. It is the taxpayers who are the forgotten partner in this debate.

We have pretty extreme positions dealing with an issue. Interestingly enough it is easy to take extreme positions when they sit in

Government Orders

opposition and are accountable to no one. It is up to the government then to make a decision as to what is fair.

We have a pension fund where contributions have been made by the employees and the employers alike at a ratio of 70% by the employer, which happens to be the taxpayer, and 30% by the employee.

Would it not make sense, if we believe in the position of the Reform Party that the taxpayers are the forgotten elements, to use the surplus that has built up as a result of a 70% contribution over many years to pay down the debt? I find it astounding that members opposite could stand in their places, as I think the previous speaker said, and say that \$30 billion is only a small amount.

The government has been successful in eliminating a \$42 billion deficit-overdraft. For the first time in over 40 years it has actually put a dent in the debt of the country by some \$20 billion. Now we have an opportunity staring us in the face to further reduce the national debt by \$30 billion.

I understand where the NDP is coming from. It is fighting for its brothers and sisters in the union. It is consistent. However I cannot understand where the official opposition is coming from when it stands and says that we should leave it alone, not touch it. It does not belong to the union. It does not belong to the government. Somehow it belongs to taxpayers but we are to leave it alone and not give it to the taxpayers.

An hon. member: Did we say that?

Mr. Steve Mahoney: The member asks whether they said that. How else would we interpret the fact that I have heard members of the official opposition say that the surplus moneys should be left in surplus and simply allowed to grow?

Somewhere the NDP talks about the potential growth going to \$100 billion. Let us turn around and extrapolate it. We leave the \$30 billion in the account as members opposite are suggesting. That account then grows to \$100 billion as a result of a contribution agreement that is 70:30. Benefits are being paid out. Obligations are being made. Pensioners are secure. We should leave \$100 billion in some kind of surplus savings account while taxpayers on the other side of the argument struggle with the burden of carrying a \$550 billion or \$560 billion debt? It makes no sense whatsoever.

It is time all of us in this place, regardless of political stripe, agreed with the taxpayers who say to me that we should pay down the debt. Yes, they want tax relief, but they want debt reduction. The reason they want debt reduction is that they know that debt will fall on the shoulders and come out of the wallets of their kids and their grand kids. There is absolutely no doubt about that.

They can point fingers if they want and say that the reason the debt is so high is this or that government. We could blame all kinds of people and parties, most of them not in this place, for the size of that debt.

• (1705)

The reality is that society has changed. Our country has matured. It is my view that we have matured to the point where we recognize something which I think was recognized in many municipalities around the country in the late seventies, that we cannot simply continue to borrow and mortgage the future.

That is what this is all about. I find it a rather incongruous position for the opposition party to stand in this place and say we should leave it alone, ignore it, pretend it is not there and save it for a rainy day.

This brings me to another point. Whether it be an employment insurance fund or a superannuation fund for the RCMP or for anybody involved in the public service, who ultimately is responsible to ensure that the pension commitments are made?

An hon. member: It is not complex.

Mr. Steve Mahoney: No, it is not complex. It is pretty straightforward. I would submit the people of Canada have signed the bargaining agreements and employ these individuals. It is the Government of Canada representing the people of Canada that is ultimately responsible for it.

The issue of the surplus is key just because of the size of it, it being a \$30 billion impact. If I thought for one minute we would take the \$30 billion out of this fund and simply spread it around and spend it, that would be irresponsible. That is not what we are talking about. This is an unprecedented opportunity for the government to show leadership in fiscal responsibility again.

It would follow on the last budget and the one before and the takeover in 1993 when the government put the country of Canada, along with the tremendous help and sacrifices of Canadians, on the route to fiscal responsibility by eliminating the deficit and starting to pay down the debt.

They can say all they want about disagreeing with government policies. They can say all they want about criticizing the direction or philosophy of the government. They cannot dispute that since 1993 the overdraft in the country has been eliminated and the debt is starting to be paid down.

While it is an important part of the whole issue surrounding these pension amendments, the primary purpose is to establish something that once again members opposite, notably the New Democrats and the Reform, should be supporting, that is a public sector pension investment board. An argument has gone on and on at various levels of government about who will control the money. Who will make the decision about where it is to be invested and how much it returns? This is an absolute breath of fresh air because the board will operate at arm's length from the government, something I would have thought we would have heard cheers about from members opposite.

It will be arm's length from employees and pensioners. No member of parliament will be allowed to sit on it. That is the way it should be. There should be no conflicts or perceived conflicts in the establishment of such a board. There will be 12 qualified directors to be appointed by the government. I do not know who else would appoint them.

Ultimately at the end of the day it is the government that is responsible, that is liable for anything which goes wrong, and there is no question it is the government's responsibility to ensure that there are 12 competent, highly qualified individuals on that board.

It will require quarterly or annual financial statements to be provided to the ministers responsible for the funds. An annual report will be tabled in the House, I say to the chair of the public accounts committee, which is something he is always calling for. There will be an opportunity to debate that report. We can refer it to committee. There is no question the accountability is there.

I mention particularly for members of the New Democratic Party mandatory advisory committees for each of the three major plans with at least half the committee members to be employees and pensioners shall be established.

• (1710)

That is saying there is an opportunity for co-management, an opportunity for input. I am sure the New Democrats would rather turn it over unilaterally to the union. I understand that position. That would be once again consistent with the philosophy of that party, but that is not the position the government wishes to take.

Mr. Dick Proctor: Turn it over to management. That is what is happening.

Mr. Steve Mahoney: I do not think it should be turned over to management either. This is an opportunity to work together on this fund and it makes absolute sense.

The question of managing ongoing surpluses is critically important as is the whole issue of how we determine over a 15 year period what is to be done in relationship to any surplus that might amount. We do not need to be going through this every 15 years. This is causing some stress, some anxiety.

I understand the labour position. I would expect nothing less than for labour to stand through its representatives in the House and fight on the basis that it thinks this is its money and it should have control of it. I understand that. I just do not agree with it. Neither does the government agree with it.

I do not understand the position of the official opposition, however, that would continually simply take a position that is contrary. Somehow Reform members think every day when they get up in the morning that whatever they do we will disagree with and take a contrary position.

This is responsible legislation. It is fair to the taxpayer. It is fair to pensioners that will need this pension for their future protection.

Mr. Eric Lowther (Calgary Centre, Ref.): Madam Speaker, I appreciated the speech to some degree, although I have a number of questions for the hon. member for Mississauga West.

It is interesting that a third of the bill deals with redefining or changing the terms widow, wives, spouse, spouses. They are all taken out of the bill and he did not make any mention of that. They have been replaced with the following, and I read from the bill itself:

For the purposes of this part, when a person establishes that he or she is cohabiting in a relationship of a conjugal nature with a contributor for at least one year immediately before the death of the contributor, that person is considered to be a survivor.

The key is "cohabiting in a relationship of a conjugal nature". Nowhere in the bill does it define what that is exactly.

Would the hon. member for Mississauga West be so good as to tell us how the government will determine who qualifies and who does not based on that definition?

For example, would two roommates who are close and share expenses but have no conjugal or intimate physical relationship be excluded based on physical intimacy? Is this the policy of the party whose leader once said that the government had no place in the bedrooms of the nation?

I would appreciate if he could clarify for the House how they intend to approach that issue with the bill.

Mr. Steve Mahoney: Madam Speaker, I am sure it caused some consternation in the Reform Party when its members saw what appeared to be some attempt to dodge the same sex issue. They would like to simply turn this debate around on that one issue.

Mr. Richard M. Harris: Give us a break.

Mr. Steve Mahoney: I will give the member a break all right. What has happened here is that the government has put in place an amendment which frankly takes that issue off the table and settles it.

Let us deal with the important issues. The important issues in this are not whether someone is having a conjugal relationship with a same sex partner. We are not redefining family. We are not redefining marriage. I believe the important aspect of benefits paid to a survivor under any pension plan is how the premiums were paid. Were they paid on a family basis and are they recognized in that capacity?

The bill goes a long way to setting a new standard that Canadians will understand.

● (1715)

Mr. Richard M. Harris (Prince George—Bulkley Valley, Ref.): Madam Speaker, while we appreciated whatever the member just said, he did not answer the question from the member for Calgary Centre.

He stood up for 20 minutes in debate and seemed to have at least assured himself that he was talking about a subject he knew about, so the member for Calgary Centre asked him a question regarding the definition of the relationship of a conjugal nature. He wanted to know if two roommates who were close and shared expenses but had no physical relationship would qualify.

The member did not answer the question. I would just like to give him an opportunity to specifically answer the question that the member for Calgary Centre asked him and which I put to him again.

Mr. Steve Mahoney: Madam Speaker, this proves my point. The Reform Party members would simply like to turn this into an issue of same sex relationships instead of—

Mr. Ken Epp: You are the one who put it into the bill.

Mr. Steve Mahoney: Well, they are trying to understand what the word conjugal means. I will allow them to go to their own dictionaries to figure that one out. It would be highly unlikely that I would take the time in here to try to conduct sex education classes for members opposite. I am not sure that they would be able to grasp it in any event.

The issues in this bill are about improvements to the benefits of the people who will collect the pensions. The issue very clearly lays out the fact that survivor benefits can include people in that kind of relationship.

I do not know why those members do not just stand up and say what it is they want to say. Frankly, I do not think they would like the reaction of the Canadian public when they do that.

Ms. Bev Desjarlais (Churchill, NDP): Madam Speaker, in response to the member's answer and his position that the issue in the bill is to improve the benefits for the pensioners, why are we not reinvesting the surplus and improving the pension benefits to those women who have been in the service for 20 years and will get \$9,600 a year in pension? Why are we not doing that? Why are we taking that money out and using it to make the government look like it has a surplus and is doing a great job with our finances?

Mr. Steve Mahoney: Madam Speaker, I thank the hon. member for a relevant question.

Let me first deal with the improvements. The formula for calculating retirement benefits will be changed to five consecutive years instead of six. That is an improvement. The hon. member's own critic said so in *Hansard*.

The formula by which the plan benefits are integrated with the CPP or the QPP will be changed in the plan member's favour; life insurance to ensure the government's pension package for its employees, in keeping with the opinions of the courts; the issue of survivors' benefits under the major plans, including the pension plans for members of parliament, will be amended to extend survivors' benefits to same sex partners on the same basis as survivors' benefits are now available to opposite sex partners in a common law relationships.

A dental plan will also be included in the amendments. The bill will include authority for the Treasury Board to look at the surpluses that get accumulated every 15 years. I have outlined lots of benefits that will be improvements for the members. There are more, but I know that my time is limited.

The member should read her own critic's *Hansard*. He actually praises many of the changes in the bill on behalf of the retirees. I would not want to mislead the House by saying he agrees with everything, but he does point out that there are a number of very positive improvements.

Mr. Tony Ianno (Parliamentary Secretary to President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Madam Speaker, it is interesting to watch the Reform members sort of stumble in this process. They realize that what we are doing is something that they probably would consider doing if they were on this side of the House. However, because they see this as good government, they have to try to find things that will go to the worst part of their being. It is unfortunate.

I have a question for my hon. colleague. It is interesting how the member for St. Albert indicated that by putting the money in the black box and not giving it back to the taxpayers or to the employees is the best route. Reformers used to idolize the debt board. They used to get up and look at it as it turned every second along the way, yet when the opportunity is here, because it is the taxpayers' money and being returned to the taxpayer, they are against that. I just do not understand how they would put Canadian taxpayers at risk by trying some cockamamie idea of placing \$30 billion in a black box for some rainy day. Will the hon. member please tell me how they can deal with this hypocrisy?

• (1720)

Mr. Steve Mahoney: Madam Speaker, I agree with the sentiment expressed by the hon. member.

Having worked with the member for St. Albert on public accounts, I have found him to be one of the few members on that side whom I would give some credit to for being a responsible

individual when it comes to this. I am therefore astounded when I hear him say that this money belongs to the Canadian taxpayer, not to the government nor to the union. I understand that position. However, why do we not put it to the best use possible that will benefit the Canadian taxpayer?

From the people I have talked to in my riding and clearly those across Canada, they want us to reduce the debt. They understand the burden on their kids and their grandchildren. They want us to use every available excess dollar, every available surplus that we possibly can to reduce the debt. That is what this will do.

It is astounding that Reform would simply see us leaving it in a black box, as the member said, or in some kind of bank account and not putting it to proper use and to the benefit of all taxpayers in Canada.

[Translation]

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, the first question I would put concerns the role of the legislator. I have been a member of parliament for nearly six years now, and I often wonder.

When a parliament or a government has employees it is responsible for, it becomes sort of judge and jury, and the current government is much more judge than jury. On a number of occasions, whether it involves back to work legislation or any law concerning employees, we have seen that it opposes workers and unions.

I wonder how long it will continue to abuse the rights set out in the various laws of parliament or in the provisions of collective agreements or right to strike measures.

It has become almost impossible today for public servants to enjoy the right to strike. We saw this recently with the legislation forcing employees back to work.

The position of the government in this debate is coloured anti-union or anti-worker, because it often reneges on its signature. It refuses to negotiate in the knowledge that it will legislate in the end. It is perfectly natural to question the powers of the legislator. I think it risks falling into a trap, that of thinking it can dictate because of its majority.

The government seems to be saying "We have a majority. The opposition can do what it likes, in the end, we will implement a measure". Unfortunately, this is what happened again today with the infamous time allocation motion.

But there are safety valves in society and parliament is one of them. When the opposition parties are deliberately gagged, it seems to me that these safety valves are being bypassed. Canada's unions, its labour legislation, its collective agreements, and its opposition no longer matter. All that counts is the dictatorship of the majority. I think it is important that we be able to start by looking at this state of affairs.

I have often accused the government of relentlessly crusading against workers and we have further proof of this today. If we look at this government's track record, there is nothing surprising about it wanting to get its hands on the surpluses in federal public servants' pension funds today.

• (1725)

We saw this with the rail workers, when parliament sat for one whole weekend to force them back to work. Recently, there was a typical example of this, when the government forced federal public servants, who incidentally had the right to strike, back to work. The government deliberately held up negotiations.

In addition, these federal public servants had not had a pay increase for six years. All the government had to do was sit down and deliberately hold up progress at the negotiating tables in order to later be able to force them back to work. This is yet another example.

Some of my colleagues pointed out the parallel between the bill before us today, through which the government wants to grab the surpluses in the federal pension funds, and what happened and still goes on with EI.

Indeed, the Bloc has been bringing up for several years the huge surplus that is accumulating in EI fund. That surplus is currently estimated at about \$25 billion. The government used this surplus to solve its deficit problem. There were many other options. For example, the government could have reduced the premiums.

We have said repeatedly that any reduction in EI premium creates jobs. Nonetheless, the government ignored that option. All it is interested in is grabbing any surplus that may have accumulated, no matter where.

The other approach suggested by the Bloc Quebecois to solve the EI surplus problem was to improve the plan. When we raise this option, the minister often calls us old-fashioned and accuses us of trying to use the EI fund for regional development purposes. But we must face reality. There are many have-not areas in Quebec and Canada where the unemployment rate is very high and which would benefit from an improved plan.

But the government is not interested in improving the plan or lowering premiums, even though that would create jobs. It wants to get its hands on the surpluses. It has already done it with the employment insurance fund. In fact, this government has a propensity to get its hand on any surplus, no matter where.

And there are other instances. The government has also cut transfers to the provinces. Now it is after the surpluses in the public service pension plans; not to mention the number of years for which it has refused pay equity for women in the federal public service.

Government Orders

The government is simply in the process of grabbing anything it can. Unfortunately, this means less money for the regions, and that is something we have to repeat constantly.

When we look at what we have before us today, we can see that there is a \$30 billion surplus in the federal public service pension fund. Granted, half of this surplus, or \$15 billion, comes from contributions made by the government and its employees. This is the kind of surplus we are talking about in the federal public service employee's pension plan. There is also a \$2.5 billion surplus in the RCMP pension fund and a \$13 billion surplus in the Canadian Forces pension fund.

I represent a riding that is home to many federal public servants, and to a large military population since one of the largest bases in Canada is located in my riding. This bill will affect current and future pensioners for many reasons. These are similar to the reasons set out with respect to the employment insurance fund, as I tried to demonstrate earlier.

Is the government not interested in improving the federal public service employees, RCMP and Canadian Forces pension plans? No, it is not interested in doing that, just as it is not interested in improving the EI program. It just wants to get its hand on any surplus.

Is it interested in reducing contributions substantially or giving a holiday on premiums, as is often the case? The government shows no interest at all for this solution because it wants to get its hands on as many billion dollars as possible.

For instance, could the government not reduce penalties on early retirement, which would be another way to create employment? No, the government is not interested in that, because it is obsessed with the \$30 billion which it wants to grab.

• (1730)

The same thing happened with the \$25 billion in the employment insurance fund, which the government wanted. Similarly, the government reduced transfer payments because it wanted to accumulate money and reduce its payments to provinces. Meanwhile, the government has not even put its own backyard in order.

It did not even make the necessary efforts to streamline all departments, but it forced all others to streamline their own operations. The government now wants the surplus in the public service employees' pension fund.

The only thing the government wants is to get its hands on the money. It says "Look how good administrators we are". Conveniently, this government is almost at mid term and is now getting ready for the next election. It will be saying "See how good the Liberal government is and how well it is managing things".

Well, they managed on the backs of everyone, including the unemployed, the provinces—with the cuts in transfer payments—and now its employees—with the pension fund surplus. The government also managed on the backs of women working in the federal public service. According to some people, this policy has allowed the government to save between \$5 and \$6 billion.

How easy it is to manage this way and say "We will ask everyone to make an effort, but we will not. Moreover, we will control anything that relates to negotiations or that has a significant impact on the federal budget. We will block negotiations at the bargaining table and we will impose back to work legislation and salary freezes". And the government just goes merrily on its way.

This is outrageous. Let us not forget that we are all members of parliament, that we represent our ridings. Such measures prevent retirees from getting a little more.

In my riding, members of the Canadian forces or the federal public service make an average annual salary of \$30,000. When these people retire, their income will be around \$21,000. Instead of trying to help them a little more and put money in circulation in every region, the government prefers to appropriate that money. This is absolutely outrageous.

Then there is the government's argument to the effect that if there is a deficit, it pays for it. But it is Canadian taxpayers who pay for the deficit. When there are surpluses, Canadian taxpayers should benefit from them.

I would like to know how many deficits there were. What was the amount of these deficits? I truly believe that the current surpluses in the plans exceed all the previous deficits combined. It might be interesting for the government to say "We do not want to lower contributions. We do not want to improve the plan. Therefore, let us deduct all the previous deficits from the surplus. Then we will make sure the money is properly shared among those who contributed to that plan".

This is not what the government is doing. It is ignoring all of that and simply grabbing the plan's surplus.

I would be remiss not to mention at this point the Singer employees. A few years ago, the Bloc Quebecois fought to get justice for the employees of the Singer Company because the government was a trustee of the company's pension plan. Today, I understand why the government objected to that. If it had opened the door, it would never have been able to follow through with its plan to raid the federal public service pension fund as it is doing today.

It refused to budge. I submit that the Singer employees were the first victims of the government's plan that is becoming reality today .Nevertheless, the injustice still remains. In those days, the government had allowed the Singer Company to stop paying

premiums. For years, it did not contribute, whereas its employees were still paying. Then the company shut down and took off with what was left in the fund. Not only did it not contribute, but it made off with the employees' contributions.

I believe today this should weigh heavily on the government's conscience. Singer workers, who are 83 years old on average, receive a monthly pension ranging from \$20 to \$50, thanks to the federal government.

Today the Liberal government lets people who have been paying full premiums all their life retire, but it refuses to enhance their plan, saying the Canadian taxpayers would have to pay for it, which is not true.

(1735)

It is not just the Canadian taxpayer. It is not just the government that paid for all of this. The federal public servants also paid for it. Some of them paid in for 25 or 30 years, and now, when they are in need of it, they are being told "We are going to freeze benefits where they are, and take the surplus".

It will be no surprise to learn that the Bloc Quebecois cannot agree with this. I have often made the claim that the Bloc Quebecois was the party that most supported the workers in this House. It is the one that has come to their defence the most. Most of those who voted for all of the members of this House are workers.

I believe it is right to take the side of the worker by administering the federal budget in a responsible way. Unfortunately, in this House only the Bloc Quebecois has held a consistent position as far as workers are concerned, in all the issues I have listed. It is the only party that has defended them. No matter what bill was introduced, it was the only party to come to the workers' defence. All of the other parties, at one time or another, have taken a wrong turn, have given up caring about the workers, but not us, ever.

Nor will we today. We will fight this bill to the utmost of our limited abilities. We have very little leeway. The government has announced "Debate will be over at 6.30 p.m. Then there will be a vote". What is going to happen in committee, because the bill will be referred to a committee? The same thing, probably. At one point they will say "That is enough. We will move on to clause by clause adoption". It will come back at third reading, and the government will probably impose closure again.

It seems to me that this government uses closure to excess. The opposition parties help ensure the government does not fall into dictatorship by majority. It denies the right to speak to those who are trying to bring about more specific things or to do a little damage control. We have a government that is not only judge and jury outside the House through negotiation, but judge and jury in the House because it limits the opposition's time for debate.

Accordingly, and for these reasons, the Bloc Quebecois will oppose this bill.

[English]

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I listened with great interest to the member's speech and to the debate generally.

It seems to me one precious part of this argument is missing. There are two different types of pensions in the private and public sectors. One is called the defined benefit program. The other one is a fluctuating benefit program.

The fluctuating benefit is determined by the amount of money that is invested in the plan. In other words, it is an actual calculation of how much money is invested and then the benefit level is determined.

This plan is a defined benefit plan. It means very simply that the benefits are predetermined. It is irrelevant how much money physically is in or is not in the plan. The beneficiaries will get the same pension.

The Reform Party's position is even more ludicrous. The Reform Party is saying to leave the money in the plan. But there is no money. It is a notional amount that does not exist. There is no bank account with \$30 billion in it. Whether we left it in the plan or took out it will not improve the employees' benefit levels.

This particular intervener talked about defending the workers of Canada. I suspect that those workers are also taxpayers. What he is talking about is giving this \$30 billion of the taxpayers' money that has built up in this fund to somebody else. I just said that it would have no impact on the calculation of people's benefit packages.

• (1740)

How could the member justify taking a predetermined benefit package and increasing people's benefits for which there is no legal framework to do so, in other words, taking it off those very workers he claims to defend and giving it to another group of workers? It makes no sense.

[Translation]

Mr. Claude Bachand: I would respond to my colleague by saying that if we cannot improve the plan—and I have my doubts, because as legislators here, the plan must be approved by the Parliament of Canada—I suppose it is possible to change the terms.

But even if there were not a way to change the terms of a plan, could we, for example, lower the contributions employees pay weekly, daily, from their paycheques so they keep the plan they have now?

There are a number of solutions open to the government, but unfortunately it is not interested. It changes the figures when it is time to be judge and judged, in order to save money and then turn around and help itself to a surplus it often generated itself.

I was reading a very interesting article this morning written by a Mr. Paquet, who has worked in the union sector for quite some time. He says that plans are often based on actuarial forecasts that *x* billions of dollars will be needed to keep a plan going for *x* number of years. Yet actuaries are frequently wrong, and he compares them, quite surprisingly, to Quebec's JoJo Savard, a fortune teller.

When there are surpluses in the plan, there are two ways of using them. But that assumes one is not trying to help oneself, that one wishes to help workers and those wanting to see their regions benefit from these surpluses. The plan can either be improved, or contributions suspended for a while. These are ways of reducing the surplus, but this is not what the government is doing.

The government is maintaining contribution rates at existing levels, or very nearly, and claiming that the surpluses belong to it. This is completely wrong, in my opinion.

[English]

Mr. Tony Ianno (Parliamentary Secretary to President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, it is interesting to listen to the hon. member from the Bloc and his colleagues who preceded him. They believe that the investment fund, especially the Quebec pension plan, worked really well. They liked the model. Taking into account that it is a shared risk management, on that basis it would be shared by those participating in the plan.

Unfortunately the member fails to address the issue that employees now contribute 30% of the plan with a maximum 7.5% of the amount when we take into account that CPP has gone up and reduced the amount they actually contribute to the pension plan. This surplus has been created because the actuarial evaluator determines for the government how much it should put into the plan on a current year basis taking only that year into account. Had they taken the whole process into account, then the government would not have to put in extra money.

In the future plan that is being set up, the investment fund, which I know his party endorses, does the hon. member believe he should advise the unions to participate in the risk management sharing? In effect any surplus in the new plan could be shared through holidays for the employees or the employers or both on that basis. In effect the risk is also taken into account and if a deficit does occur they will also put in.

[Translation]

Mr. Claude Bachand: Mr. Speaker, it is true that the Quebec public service pension plan is properly managed. It is so because of a tradition of effective negotiations with the central labour bodies in Quebec on how the plan should be managed.

(1745)

It goes without saying that the government has certain prerogatives. At some point, it can say that there are problems, that the fund is accumulating more slowly, or that it owes too much money to the fund. The government will then sit down with the central labour bodies and negotiate.

The Quebec tradition in this regard is rather effective. As far as I am concerned, it is better than the federal approach I have seen for the past six years. The federal government ignores the unions, either slows down negotiations or stops them altogether and ends up pushing back to work legislation through the House.

I agree that workers should have a responsibility if there is a deficit or a surplus. But there are surpluses right now. The government did not provide the figures for the previous deficits, but we have had surpluses since 1995. I am sure that the surpluses exceed the deficits.

It is not right for the government to now take the money and say "Continue to pay. We will not improve your plan; we are only interested in taking the money". Again, this is not right.

[English]

The Acting Speaker (Mr. McClelland): We are now at the point in the debate where the debate is 10 minutes. The Chair made a little mix-up earlier which has caused a couple of other members not to get a chance because the debate will terminate in another 30 minutes.

We have at least five other members who want to say a few words. If members who are still participating in debate would keep that in mind, perhaps we could get through to everybody. If we keep our comments down to what needs to said, in that way we can get more people in.

I apologize for cutting the Reform Party out of two 10 minute slots.

Mr. John Bryden (Wentworth—Burlington, Lib.): Mr. Speaker, I will try to keep my remarks cogent.

As has been variously raised, mainly by the Reform Party, the issue of the word conjugal has turned up in the act. There have been a number of questions through our side and the suggestion that we do not want to deal with the issue raised in the bill, that is same sex survivor benefits.

I have speaking notes provided by the government. As a matter of fact I think by the department, and I presume they are available to every member of parliament. These notes make it very clear that this legislation is about giving survivor benefits to same sex couples. It notes in the notes that I have that this is merely

following in concert with various court decisions that have come down recently.

I see the member for Calgary Centre in the House. In his remarks he focused on the issue of giving survivor benefits to people in conjugal relationships. He has a very important point, because rather than the bill specifying very clearly that the intention is to provide survivor benefits to same sex couples, the bill seems to have, shall we say, gone around the corner the long way.

I have the bill here. What it has done is taken the section in the original bill that deals with survivor benefits, and that section in defining who is eligible for survivor benefits uses words like person of the opposite sex to whom the contributor was not married, the surviving spouse, the spouse of the contributor, become married to the contributor on a certain day and so forth.

In other words, the existing section of the act talks very specifically about spousal relationships and marriage relationships as defining the people who are to be eligible for the survivor benefits. Because they are talking about spouses and marriages it is assumed that it is a heterosexual relationship.

For the purpose of the act this area was changed in various places, but to avoid use of the word spouse, married or anything like that, the act defines the relationship. It says for the purposes of this part when a person establishes that he or she was cohabiting in the relationship of a conjugal nature with the contributor and so on and so forth. The key word, as pointed out by the member for Calgary Centre, is the word conjugal.

● (1750)

Here is the problem. I for one believe it is high time for this government to recognize that there are special relationships, that there are same sex relationships that are dependent relationships and are very emotionally tied together in almost every way we can imagine. Whether there is sex involved or not there can be relationships between two individuals that have the force of a marriage, even though they are not a marriage, but are not necessarily conjugal.

The problem is that when we use the word conjugal we not only imply but we actually say that the relationship we are talking about is the married relationship. More than that, when we use the word conjugal, depending on the dictionary we use, we are even implying a heterosexual family relationship involving parents and offspring.

What I see as a result of this problem is that the government may be missing on the very thing that it wants to achieve. In other words, by saying conjugal in this bill the government may be leading the courts to strike down any attempt to apply these survivor benefits to same sex couples.

The member for Calgary Centre had a point but he did not pursue it in sufficient depth. What is really wrong here is not that the

government is trying to pull the wool over our eyes or go around some corner to do something the public does not want it to do. The government has been very open with respect to its intention to try to honour what the courts have said and to honour what most Canadians are saying, that there are certain special relationships that do justify people receiving survivor benefits.

However, I think the government has erred dreadfully in using the word conjugal rather than actually coming out and saying it for what it is. If we do not want to use the term same sex relationship then dependent relationship could be defined elsewhere in the legislation, the word dependency. The use of conjugal in this context may lead to problems with this legislation. I hope the government will re-examine the way it has written these particular clauses.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, I will certainly do my best to respect the time constraints. I must first excoriate the government for again moving closure on an issue like this one. This is the 51st time it has done this since it has been in power, exceeding the record of the previous Mulroney government. It is something the Liberals railed against the Tories for in the past. Now they are doing the same thing.

Obviously the bill is hugely complex. Not only does it chart new ground on the pension field, but in my judgment it charts new ground when it comes to issues of same sex benefits. I think the government is doing this in a sneaky way. If it wants to have a serious debate about it, it should bring it forward naked as it were in legislation so we can have a discussion and invite the public's involvement. Instead it has made it part of a bill and hides behind the skirts of the courts whenever it can. In doing that it abdicates its responsibility as a legislator.

I will say one brief word on this point. I mentioned to my friend from Wentworth—Burlington that according to the *Canadian Law Dictionary* conjugal rights are the rights of married persons which include the intimacies of domestic relations. *The Concise Oxford Dictionary* states that conjugate means to unite sexually.

The question in this legislation is how are they to determine whether people are uniting sexually. Will they have sex inspectors going into the bedrooms of the nation, something the leader of the party across the way promised we should never do?

It is a good question and I do not see anybody on the government side answering it. They have talked all around it. The member for Mississauga West blew a lot of smoke when he was up but never did get to the point on that issue. The government has some answering to do on this issue and I appreciate the member for Wentworth—Burlington having the courage to take this on head-on. We appreciate that.

There are many issues here. The issue I want to talk to first and foremost is the fact that the government is breaching a principle.

• (1755)

When it struck a deal with the Canadian public on the Canada pension plan many years ago, it promised that we would never see premiums rise above 5%. They are now at almost 10% and almost certainly going to go beyond that at some point in the future. That was a promise it made and ultimately broke.

We saw the same thing happen with Employment Insurance. We saw a fund being set up ostensibly to provide benefits to the employees who subscribe to that plan. They pay in all kinds of contributions and expect that they will get the contributions back. If they do not and a surplus is run up, they will get the surplus back. What does this government do? It raids that \$26 billion fund.

We see that same theme happening yet again with this bill, the public service pension fund. A \$30 billion surplus has accumulated and it says "The means justify the end. We will go ahead and strip this fund of that surplus because in our judgment we can use it for something better than what that money would go toward if it were left in there". I think that is reprehensible.

Is there no pool of money that is beyond the reach of the government? Should we not establish a principle that there are some pools of money, especially ones that are jointly funded with the public, that the government cannot get its grubby hands on and that belong to the people who kicked it in, in the first place? Should that not be some kind of a principle, or does the government feel that it can have access to every cent the public has ever put into a plan? What is next? Will it be RRSPs?

I am alarmed that the government would do this and then cut off debate by moving closure for the 51st time and basically ensuring that the NDP, the Reform Party and the rest of us who strongly oppose this and other people who have strong interests in it do not have a voice on this issue. The government should be ashamed of this, but we see it over and over again. I guess I cannot appeal to its pride on this issue.

It has simply taken the point of view that it does not care what the public thinks any more. It is going to push ahead with this and do what it will. It should be absolutely ashamed. People on this side of the House want to see an honest and open debate. Sadly we will not get it from that gang over there.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I am very pleased to enter into debate on Bill C-78. I want to reiterate some of the things I said earlier during questions and comments concerning the nature of the plan.

I discussed the aspect that this is a defined benefits plan. That is very specific because what it says is that it is based on certain things. For instance, the last six years of employment earnings is how they go about calculating the pension one will receive in retirement.

Quite frankly it has nothing to do with the money sitting in the plan. One could actually even have a plan of this nature which has no money in it whatsoever, as long as the employer was of sufficient calibre to make the payments. The reason there is a notional plan is that it involves the actual contributions by the employees and the employer.

Various legislative bodies from time to time say that should be invested. The whole concept of investing it occurs within the private sector because we are not so sure the employer will be there to make the final payments. Most of us agree that it has occurred by way of convention that most people believe the government will somehow continue to be here and somehow continue to honour their pensions. The reason there is a surplus is that there has been some kind of actuarial decree which is some kind of inexactitude.

I would like to point out another very basic aspect of this plan. Most private plans require contribution ratios of the employees of at least 40%. This plan has had a contribution ratio from the employee of only 30%. The employer, the government, has actually paid 70%. Most people would conclude that this has been a very generous plan.

• (1800)

Earlier today I heard the minister say that civil service employees are good workers, that we honour that and we are happy to give them a very generous plan. However, our generosity has to stop when we start talking about this notional surplus.

How would members opposite deal with the surplus? Would they physically give money or enhance the benefit packages of the beneficiaries? That would be breaking the original terms of the agreement. That would be saying that we are going to pay even better benefit levels than those which were originally agreed to, as generous as they were. Or would they reduce the premiums, even though the premiums are some of the lowest of all the pension plans in the country?

Indeed, because it is based on 7.5% of earnings, less the amount of Canada pension plan contributions, members' contributions to the plan have been decreasing, whereas everybody else in the country has been paying higher premiums into their pension plans, realizing that to have an enhanced pension plan it has to be paid for.

There is no justification for the argument that somehow the money belongs to people other than the people who originally put in the money, who are the taxpayers of the country. I am very surprised by the attitude of Reform members. They say that we have to reduce deficits and then suddenly they say "Leave the money in the plan".

However, there is no plan and there is no physical money in the plan. The plan is financed from the general revenues of the Government of Canada. They are saying "Take money out of the tax revenues this year and give it away to these people". Reform members are saying that the taxpayers should somehow shell out more money for a plan that has been very well put together, at great benefit to the employees of the civil service, who are already receiving the benefits they were guaranteed under the plan.

Is this called progress? Is this called integrity or accountability? It is ridiculous. I am surprised. I hope we do cut off debate because the debate which is coming from that side of the House is not very meaningful.

Mr. Richard M. Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I have been waiting most of the day to speak. I think the real question is, can Canadians trust the Liberal government? If Canadians could trust the government they would probably say that the promise to take the \$30 billion and pay down the debt is a good thing. However, considering the numerous promises that have been broken since the Liberals came to power in 1993, can we really trust them? We in the official opposition certainly cannot. The Liberals have given us an overwhelming amount of reasons to mistrust them.

We have the dreaded fear that when Liberals get their hands on money like \$30 billion they simply will not do what they say they are going to do. As my colleague from Medicine Hat pointed out, the Liberals said they were going to scrap the GST during the 1993 campaign. They went house to house, doorstep to doorstep, telling potential voters that if they were elected they would scrap, kill, abolish the GST. This is 1999 and the GST is still there.

Even the member for Port Moody—Coquitlam—Port Coquitlam is still paying GST. When he goes downtown to buy a can of Lysol he still pays GST on it. We are getting a little closer to the truth now.

Government members are telling us once again "Trust us. We are going to appoint this board and, by the way, in case Canadians do not know, this board will not be subject to the scrutiny of the auditor general, the chief watchdog of crown money".

• (1805)

This board will not be accountable to the auditor general. This is the same thing we argued when we protested the propriety of the board which oversees the multibillion EI fund. The government staunchly refused to allow that board to be accountable to the auditor general. It is doing it again with the public service employee pension fund. One can only look at the Liberal record and say "Can we trust them once again?"

The other thing that really bothers us is that once again the government has cut off debate. This is something which the Liberals, when in opposition, railed against. Former Prime Minister Brian Mulroney, whom we are all thankful is gone, and the dreaded Tory government brought in closure time after time. Liberal members said that was the most disgusting thing a government could do. What have they done? They have beaten the record

of the Tories. They have gone way past the Tory record. We are up to the 53rd or 54th time.

Yes, they paid down the debt. However, they have raised taxes by some \$40 billion since 1993. These are tax increases, not simply the increase in revenue that the minister talks about because the economy is paying that. They raised taxes in 39 or 40 different areas to the tune of about \$40 billion. They beat the deficit on the backs of Canadians.

Even the member for Port Moody—Coquitlam—Port Coquitlam talks about it. The residents of that town tell me they are very happy he is in Ottawa and not still the mayor. That was his best campaign promise: "If you elect me in the federal election I will leave town and go to Ottawa". Boy, did he pull in the votes.

I want to close by reaffirming that this is all about trust. Who can trust the Liberals? The record speaks for itself. They have broken many promises and we should not give them the opportunity again.

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, I appreciate having an opportunity to say a few words. I have been listening to the debate all day, however, I have yet to hear how the \$30 billion surplus accumulated. There has been some acknowledgement that the employer and the employees have paid into it, but so far very little has been said about the interest that is earned on the investment, and there is a significant amount of money earned in that manner.

This was debated back in 1992 under Bill C-55, and I am not speaking about the split-run magazine bill. The current minister responsible for the Treasury Board makes a great fetish of how this is taxpayers' money and it must go back to them. However, if we look over the last 40 odd years, in 1955-56 the employer contributed 33.9% to pensions while the interest earned at that point was 36.8%. It peaked in 1975-76 when the employer contributed 37.4%, although the interest earned was up to 49.4%. By 1993-94 the employers' contribution was only 14% and 75.1% of the money came from interest earned. All of this has been documented.

The previous auditor general criticized the plan and noted, for example, that in 1991 there was a pension holiday. The government did not contribute any money in that year, a saving of some \$760 million dollars.

• (1810)

Treasury Board projections to the parliamentary committee that looked at it at that time forecast a reduction in employer contributions of \$5 billion over 10 years, or \$500 million a year. Once upon a time the Liberals even saw through this perspective. Not any more of course.

Government Orders

The Treasury Board study of 1986 concluded that the Public Sector Superannuation Act would likely earn an additional 2% interest if the government had stopped borrowing money while determining unilaterally what tiny bit, if any, interest it would repay to the plan.

Who has been affected is another question. It has been documented that the 20 year average for people at the low end of the wage scale, especially women, employees who endured wage freezes and did not receive pay equity, is about \$9,600 per year in pension.

It is no wonder that the Professional Institute of the Public Service says that people are amazingly upset at what the government is about to do with this \$30 billion surplus. The president says it does not seem to matter how much we discuss anything, because if the government does not get its way it just writes legislation and imposes its will on us.

In 1992, here is what the Liberals proposed on Bill C-55. They proposed binding arbitration to resolve disputes, including disputes around the disposition of pension plan surpluses. They also proposed that there be minimum employer contributions of 10% to the Public Sector Superannuation Act, 12% to the Canadian Forces Act and 14% to the RCMP Act. All three plans would be subject to the Pension Benefits Standards Act with right of access to data estimates and projections by all interested parties.

What has happened between 1992 and 1999 is the complete reversal? Obviously in 1992 the Liberals were on this side of the House and in 1999 they are on the government side of the House. It reminds one of the old Irish proverb which I have used before: You can vote for whichever party you like but the government always gets elected. It is certainly true and nowhere more true than in this country where for 132 years Canadians have switched back and forth between Liberals and Conservatives.

In opposition we hear nothing but promises, promises: promises on pension reform, electoral reform; tax reform, health reform, and reform of committees to give MPs more power and influence. Once they get on that side of the House how quickly they forget. They even promised parliamentary reform when they sat on this side of the House. What do we get today? We get a few hours to debate a very important piece of legislation, a document of more than an inch thick. It is a total sham.

In this case it is even more odious because hundreds of thousands of retirees probably do not even know what this latest smash and grab is by the government. It reminds all of us of the former prime minister's admonition that the boys are cutting up the cash in the back room.

Mr. Bryon Wilfert (Oak Ridges, Lib.): Mr. Speaker, as far as the pension account is concerned, all those affected will get their

pension money regardless. In fact they will get their promised benefits for the law requires the government to make sure that there is always enough money in those accounts.

If we look at the editorial in the Toronto Star today entitled "Whose Pension Surplus", the government has always, even in times of deficit, covered this particular plan.

The fearmongering we hear on the other side has absolutely no basis in fact. The government has done exactly what it has done in the past, that is keeping up with its responsibility of assuming all of the financial risk of the public service pension plan. We will do that again if and when the need arises.

Members on the opposite side would prefer that deficits be allowed simply to lie where the accounts, unattended, increase to no end and to no purpose. We are asking for a purpose.

Reform Party members in the past supported the government position. Talk about changing positions. They flip flop as if they are acrobatics on the other side. Canadian taxpayers feel secure in knowing that it is covered. We are clearly showing prudence and doing the right thing. Every member will in fact be protected by the actions of the government.

(1815)

The Acting Speaker (Mr. McClelland): Once again, I would like to thank all hon. members for being considerate and keeping their debate time to a minimum so as to allow as many members as possible to debate.

It being 6.15 p.m., pursuant to order made earlier today, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the second reading stage of the bill now before the House.

The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon, members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. McClelland): In my opinion the nays

And more than five members having risen:

The Acting Speaker (Mr. McClelland): Call in the members.

(1845)

(The House divided on the amendment, which was negatived on the following division:)

(Division No. 388)

YEAS

Members

Abbott Ablonezy Bachand (Richmond—Arthabaska) Anders Bachand (Saint-Jean) Bailey Bellehumeur Bernier (Tobique-Mactaquac) Borotsik Brison

Cadman Casev Chatters Chrétien (Frontenac-Mégantic) Crête Dalphond-Guiral Desjarlais Duceppe Dockrill Duncan Earle Gauthie

Godin (Acadie-Bathurst) Gilmour Goldring

Grey (Edmonton North) Harris Hart Hill (Macleod)

Hill (Prince George-Peace River) Hoeppner Johnston

Keddy (South Shore) Laliberte Kenney (Calgary Southeast) Lill Loubier

Lowther Marchand Marceau Mark Martin (Winnipeg Centre)

Matthews Mayfield McDonough Mills (Red Deer) Meredith Morrison Muise Nystrom Picard (Drummond) Plamondon Proctor Robinson

Scott (Skeena) Strahl Thompson (New Brunswick Southwest)

Turp Wasylycia-Leis White (Langley—Abbotsford) Williams—75

NAYS

Members

Alcock Adams Assad

Assadourian Axworthy (Winnipeg South Centre) Augustine

Baker Bakopanos Barnes Bélair Bélanger Bellemare Bevilacqua Bertrand Blondin-Andrew Bonwick Boudria Bradshaw Brown Bryden Caccia Calder Cannis Caplan Catterall Cauchon Chamberlain Chan Charbonneau Clouthier Coderre Comuzzi Copps DeVillers Cullen Dhaliwal Discepola Drouin Dion Dromisky Eggleton Finlay Easter Finestone

Fontana Fry Gallaway Gagliano Goodale Godfrey Gray (Windsor West) Guarnieri Harb Harvard Hubbard Jackson Ianno Jennings Jordan

Karetak-Lindell Karygiannis

Keyes Kilgour (Edmonton Southeast) Kilger (Stormont-Dundas-Charlottenburgh)

Knutson Kraft Sloan Limoges (Windsor—St. Clair) Lincoln Longfield MacAulay Mahoney Maloney Malhi Manley Marleau McCormick Massé McGuire

McKay (Scarborough East) McLellan (Edmonton West)

McWhinney Mifflin Murray Myers

O'Brien (London—Fanshawe) Nault

O'Reilly Pagtakhan Paradis Parrish Patry Peterson Pettigrew Phinney Pillitteri Pratt Proud Provenzano Redman Reed Robillard Richardson Rock Saada Scott (Fredericton) Sekora Shepherd

Stewart (Brant) Stewart (Northumberland)

St-Julien Szabo Telegdi Thibeault Torsney Vanclief Valeri Whelan Wilfert

Wood -129

St. Denis

PAIRED MEMBERS

Steckle

Alarie Anderson Asselin Reaumier Bennett Bergeron Bernier (Bonaventure-Gaspé-Îles-de-la-Madeleine-—Pabok) Bigras Bulte Byrne de Savoye Debier

Desrochers Dubé (Lévis-et-Chutes-de-la-Chaudière) Duhamel Folco Girard-Bujold

Gagnon Godin (Châteauguay) Graham Guimond Iftody Lalonde Keyes Lastewka Laurin Lebel Lavigne Lefebvre Leung Marchi Martin (LaSalle—Émard)

McTeague Ménard Mercier Mills (Broadview-Greenwood)

Murray Normand O'Brien (Labrador) Pickard (Chatham—Kent Essex) Rocheleau

Sauvageau Speller St-Hilaire Tremblay (Rimouski-Mitis)

Volpe

Whelan

The Speaker: I declare the amendment defeated.

The next question is on the main motion. Is it pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

yea.

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the nays have it.

And more than five members having risen:

• (1850)

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

(Division No. 389)

YEAS

Members

Adams Assad Assadourian Augustine

Axworthy (Winnipeg South Centre)

Baker Bakopanos Bélair Bélanger Bellemare Bertrand Bevilacqua Blondin-Andrew Bonin Bonwick Boudria Bradshaw Brown Bryden Caccia Calder Cannis Caplan Catterall Cauchon Chamberlain Chan Charbonneau Clouthier Coderre Collenette Comuzzi Cullen Copps DeVillers Dhaliwal Dion Discepola Dromisky Drouin Eggleton Easter Finestone Finlay Fontana

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Karetak-Lindell Karygiannis Kilger (Stormont—Dundas—Charlottenburgh)

Kilgour (Edmonton Southeast) Knutson Lee Lincoln Limoges (Windsor—St. Clair) Longfield Mahoney MacAulay Malhi Maloney Marleau Manley Massé

McCormick McKay (Scarborough East) McGuire McLellan (Edmonton West)

McWhinney Mifflin Minna Mitchell

Myers O'Brien (London—Fanshawe) Murray

O'Reilly Pagtakhan Parrish Paradis Patry Pettigrew Peterson Pillitteri Pratt Proud Provenzano

Adjournment Debate

Redman Reed Robillard Richardson Rock Saada Scott (Fredericton) Sekora Shepherd Stewart (Brant) St. Denis Stewart (Northumberland) St-Julien Szabo Telegdi Thibeault Torsney Vanclief Whelan Wood—128 Wilfert

NAYS

Members

Abbott Ablonczy

Anders Bachand (Richmond—Arthabaska) Bachand (Saint-Jean) Bailey

Bellehumeur Benoi Bernier (Tobique-Mactaquac) Borotsik Brien Brison Cadmar Casey Casson Chatters Chrétien (Frontenac-Mégantic) Crête Dalphond-Guiral Davies Desjarlais Dockrill Duceppe Duncan Farle Gauthier Epp

Godin (Acadie—Bathurst)

Goldring Grewal
Grey (Edmonton North) Harris
Hart Herron

Hill (Macleod) Hill (Prince George—Peace River)

Hoeppner Johnston
Jones Keddy (South Shore)
Kenney (Calgary Southeast) Laliberte
Lill Loubier

Lowther Mancini Marceau Marchand

Mark Martin (Winnipeg Centre)
Matthews Mayfield

Meredith McDonough Mills (Red Deer) Morrison Muise Nystrom Picard (Drummond) Plamondon Power Price Proctor Robinson Scott (Skeena) Solberg Steckle Strahl Thompson (New Brunswick Southwest) Turp Wasylycia-Leis White (Langley-Abbotsford) Williams-76

PAIRED MEMBERS

Alarie Anderson
Asselin Beaumier
Bennett Bergeron
Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok)
Bigras Bulte
Byrne Carroll
de Savoye Debien

Desrochers Dubé (Lévis-et-Chutes-de-la-Chaudière)

Duhamel Folco Girard-Bujold Gagnon Godin (Châteauguay) Graham Iftody Guimond Lalonde Keyes Lastewka Laurin Lavigne Lebel Lefebvre Leung

Marchi Martin (LaSalle—Émard)

McTeague

 Ménard
 Mercier

 Mills (Broadview—Greenwood)
 Murray

 Normand
 O'Brien (Labrador)

Perron Pickard (Chatham—Kent Essex)
Rocheleau Sauvageau

Rocheleau Sauvagea Speller St-Hilaire Tremblay (Rimouski—Mitis) Venne Volpe Whelan

The Speaker: I declare the motion carried. Accordingly the bill stands referred to the Standing Committee on Natural Resources and Government Operations.

(Bill read the second time and referred to a committee)

ADJOURNMENT PROCEEDINGS

• (1855)

[English]

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

HEALTH

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, recently I had an opportunity to pose a question to the Minister of Health with regard to the subject matter of breast milk substitutes.

I raised it because it had come to my attention through some research I was doing on early childhood development issues that Canada supported a WHO position with regard to breast milk substitutes. It included such things as no samples to be provided in hospitals, no pictures of babies to be on the labelling, no advertising, and a number of other positions which basically said that breast milk substitutes were not to be represented as a viable or as an important alternative for infant nutrition. The majority of hospitals do not follow those rules. They provide substantial samples, et cetera of breast milk substitutes.

In doing some of this work, I wanted to share with the House a little bit of information with regard to the importance of breast feeding. The research highlighted the significant benefits of breast feeding. It even found a lower incidence of matters such as sudden infant death syndrome, accidental deaths and sicknesses causing deaths. The exposure to a broader range of environmental risks, travel risks, et cetera were all associated with circumstances where breast feeding did not take place.

The research is very clear. The health benefits of breast feeding cannot be overstated.

ts unani- milk su on's new collabor ed for at continue

In 1998 the Canadian Paediatric Society announced its unanimous endorsement with the World Health Organization's new recommended guidelines that mothers should breast feed for at least one year for optimal health outcomes of their children. The president of the Canadian Paediatric Society also announced that it would not be party to any contraventions of the WHO code and that it would not be involved in the distribution or promotion of breast milk substitutes.

Research on breast feeding clearly confirms its importance for optimal infant health. It also enhances the bond between the mother and the child which is a significant factor affecting healthy outcomes. In addition, and I found this very interesting, a family can save up to \$4,000 in the first year on the cost of baby formula which significantly affects the economics of a decision to provide direct parental care. Dr. Fraser Mustard said: "Breast feeding can provide a perfect nutritional and emotional nurturing to endow an infant with the important capacity needed for a full and productive life".

With that as background, I want to again pose the question to the Parliamentary Secretary to the Minister of Health with regard to Canada's position on the WHO recommended guidelines on breast milk substitutes. It seems to me that endorsing those without enforcing them has a contradiction, particularly when it means so much to the healthy outcomes of our children. I ask the parliamentary secretary for her comments.

• (1900)

Ms. Elinor Caplan (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, I would like to acknowledge the member's interest in promoting infant breast-feeding as the most optimal form of feeding of infants.

At the World Health Assembly in May 1981, Canada and 117 other countries strongly endorsed a code of marketing of breast

milk substitution. Canada has implemented the code through collaboration, education and health promotion. Health Canada continues to support this position and has consistently promoted breast-feeding as the optimal form of infant nutrition.

Adjournment Debate

The promotion of breast-feeding is an integral part of several Health Canada programs. These include the postpartum parent support program, a video entitled "Welcome to Parenting", the "Breastfeeding Promotional Kit", "Breastfeeding—A Selected Bibliography and Resource Guide" and two widely distributed breast-feeding pamphlets "10 Great Reasons to Breastfeed" and "10 Valuable Tips for Successful Breastfeeding".

The National Breastfeeding Guidelines for Health Care Providers, 1996, developed by the Canadian Institute for Child Health, has been distributed by Health Canada to each postpartum parental support group.

The international code of marketing of breast milk substitutes has markedly influenced actions to promote breast-feeding in Canada and the results have been positive. When given accurate and reliable information, mothers and health professionals make the correct choices to support appropriate infant nutrition through breast-feeding.

This is an ongoing effort by Health Canada. It is one that we are working co-operatively with all of our partners. We believe that the actions we have taken are resulting in the best approach for achieving widespread breast-feeding for infants in Canada. I applaud the member's efforts in raising this issue. We will continue to support these actions.

[Translation]

The Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.02 p.m.)

CONTENTS

Monday, April 26, 1999

| PRIVATE MEMBERS' BUSINESS | | Amateur Sports | |
|---|--------|---|-----------|
| National Agricultural Relief Coordination Act | | Mrs. Dalphond–Guiral | 14314 |
| Bill C–387. Second reading | 14293 | St. John Ambulance | |
| Mr. Borotsik | 14293 | Mr. Adams | 14314 |
| Mr. McGuire | 14295 | Child Pornography | |
| Mr. McGuire | | Mr. Forseth | 14315 |
| Mr. Hoeppner | | Desti Ossilaasia | |
| Mr. Chrétien (Frontenac—Mégantic) | | Parti Quebecois | 1/215 |
| Mr. Proctor | | Mr. Paradis | 14313 |
| Mr. Borotsik | | Youth Suicide | |
| Mr. Clouthier | | Ms. Vautour | 14315 |
| Mr. Borotsik | | 1849 Burning of the Parliament of Canada | |
| Mr. Clouthier | | Mr. Bachand (Saint–Jean) | 14315 |
| Mr. Borotsik | 14301 | , | - 10 - 10 |
| G07777777777777777 | | Reform Party of Canada | 14216 |
| GOVERNMENT ORDERS | | Mr. Bonwick | 14310 |
| Public Sector Pension Investment Board Act | | Yarmouth Town and Country Sports Hall of Fame | |
| Bill C-78—Time Allocation Motion | | Mr. Muise | 14316 |
| Motion | 14302 | Alzheimer Society of Cambridge | |
| Mr. Boudria | 14302 | Mr. Perić | 14316 |
| Motion agreed to | 14303 | | |
| Second reading | | Youth Violence | 1.401.6 |
| Mr. Loubier | 14303 | Mr. Lowther | 14316 |
| Mr. Ianno | 14306 | Poverty in Canada | |
| Mr. Loubier | 14306 | Ms. Davies | 14316 |
| Mr. Godin (Acadie—Bathurst) | 14306 | | |
| Mr. Loubier | | ORAL QUESTION PERIOD | |
| Mr. Ianno | | Kosovo | |
| Mr. Loubier | | Mr. Manning | 1/217 |
| Mr. Ianno | | Mr. Eggleton | |
| Mr. Williams | | Mr. Manning | |
| Mr. Ianno | | Mr. Eggleton | |
| Mr. Marchand | | Mr. Manning | |
| Mr. Ianno | | Mr. Axworthy (Winnipeg South Centre) | |
| Mr. Proctor | | Mr. Mills (Red Deer) | |
| Mr. Ianno | | Mr. Axworthy (Winnipeg South Centre) | |
| Mr. Williams | 14311 | Mr. Mills (Red Deer) | |
| | | Mr. Axworthy (Winnipeg South Centre) | |
| STATEMENTS BY MEMBERS | | Mr. Duceppe | 14318 |
| Public Transit | | Mr. Axworthy (Winnipeg South Centre) | 14318 |
| Mr. Maloney | 14313 | Mr. Duceppe | |
| | | Mr. Axworthy (Winnipeg South Centre) | 14318 |
| "The Gift" | 1 1212 | Mr. Turp | 14318 |
| Ms. Meredith | 14313 | Mr. Axworthy (Winnipeg South Centre) | |
| Hospice of Waterloo Region | | Mr. Turp | |
| Mrs. Redman | 14313 | Mr. Axworthy (Winnipeg South Centre) | |
| G. I. a. I. G. a. a. I. W. a. 2. I. | | Ms. McDonough | |
| Scarborough General Hospital | 1.4212 | Mr. Axworthy (Winnipeg South Centre) | |
| Mr. Cannis | 14313 | Ms. McDonough | |
| Armenia | | Mr. Eggleton | |
| Mr. Assadourian | 14313 | Mr. Price | |
| Dustin Onorhoim | | Mr. Eggleton | |
| Dustin Onerheim Mr. Morrison | 1/21/ | Mr. Price | |
| Mr. Morrison | 14314 | Mr. Eggleton | 14320 |
| United Alternative | | Pensions | |
| Mrs. Chamberlain | 14314 | Mr. Solberg | 14320 |

| Mr. Massé | 14320 | Agriculture | |
|--|---|--|---|
| Mr. Solberg | | Mr. Borotsik | 14325 |
| Mr. Massé | | Mr. Vanclief | |
| THE HEADS | 11320 | | 1.020 |
| Young Offenders Act | | Aboriginal Affairs | |
| Mr. Bellehumeur | 14320 | Mr. Strahl | |
| Ms. McLellan | 14320 | Mrs. Stewart (Brant) | 14325 |
| Mr. Bellehumeur | 14320 | Irving Whale | |
| Ms. McLellan | 14320 | Mr. Rocheleau | 14325 |
| . . | | Mr. Easter | |
| Pensions | | | 11323 |
| Mr. Williams | | Public Sector Pension Plans | |
| Mr. Massé | 14321 | Mr. Martin (Winnipeg Centre) | 14325 |
| Mr. Williams | 14321 | Mr. Massé | 14325 |
| Mr. Massé | 14321 | Agriculture | |
| Millannium Cahalarahin Faundatian | | 8 | 14226 |
| Millennium Scholarship Foundation | 1.422.1 | Mr. Borotsik | |
| Mr. Crête | | Mr. Vanclief | 14326 |
| Mr. Pettigrew | | Presence in Gallery | |
| Mr. Crête | | The Speaker | 14326 |
| Mr. Pettigrew | 14321 | | |
| Pensions | | Privilege | |
| | 1.4201 | Member for Provencher | |
| Mrs. Ablonczy | | Mr. Scott (Skeena) | |
| Mr. Massé | | The Speaker | 14327 |
| Mrs. Ablonczy | | Mr. Boudria | 14327 |
| Mr. Massé | | | |
| Mrs. Venne | 14322 | ROUTINE PROCEEDINGS | |
| Mr. Massé | 14322 | G | |
| Trade | | Government Response to Petitions | |
| | 1.4222 | Mr. Adams | |
| Mr. Calder | | Mr. Matthews | 14327 |
| Mr. Vanclief | 14322 | Interparliamentary Delegations | |
| Aboriginal Affairs | | Mr. Plamondon | 14327 |
| Mr. Scott (Skeena) | 14322 | THE TRIMORDIA | 11327 |
| Mrs. Stewart (Brant) | | Employment Insurance Act | |
| Mr. Scott (Skeena) | | Bill C-500. Introduction and first reading | 14327 |
| * * * | | Mr. Crête | 14327 |
| Mrs. Stewart (Brant) | 14323 | (Motions deemed adopted, bill read the first time | |
| Transport | | and printed) | 14327 |
| Ms. Lill | 14323 | Employment Insurance Act | |
| Mr. Collenette | 14323 | Bill C–501. Introduction and first reading | 14327 |
| Ms. Lill | 1.4202 | Bill C-301. Introduction and first reading | |
| | 14323 | Mr. Crâto | 1/227 |
| | | Mr. Crête | 14327 |
| Mr. Collenette | | (Motions deemed adopted, bill read the first time | |
| | | | |
| Mr. Collenette | 14323 | (Motions deemed adopted, bill read the first time | |
| Mr. Collenette | 14323 14323 | (Motions deemed adopted, bill read the first time and printed) | 14328 |
| Mr. Collenette Fisheries and Oceans Mr. Matthews | 14323 14323 14323 | (Motions deemed adopted, bill read the first time and printed) | 14328 |
| Mr. Collenette Fisheries and Oceans Mr. Matthews Mr. Easter | 14323 14323 14323 14323 | (Motions deemed adopted, bill read the first time and printed) Income Tax Act Bill C–502. Introduction and first reading | 14328 14328 |
| Mr. Collenette Fisheries and Oceans Mr. Matthews Mr. Easter Mr. Matthews | 14323 14323 14323 14323 | (Motions deemed adopted, bill read the first time and printed) Income Tax Act Bill C–502. Introduction and first reading Mr. Guimond | 14328 14328 14328 |
| Mr. Collenette Fisheries and Oceans Mr. Matthews Mr. Easter Mr. Matthews | 14323 14323 14323 14323 | (Motions deemed adopted, bill read the first time and printed) Income Tax Act Bill C–502. Introduction and first reading Mr. Guimond (Motions deemed adopted, bill read the first time and printed) | 14328 14328 14328 14328 |
| Mr. Collenette Fisheries and Oceans Mr. Matthews Mr. Easter Mr. Matthews Mr. Easter | 14323 14323 14323 14323 14324 | (Motions deemed adopted, bill read the first time and printed) Income Tax Act Bill C–502. Introduction and first reading Mr. Guimond (Motions deemed adopted, bill read the first time and printed) An Act to Amend the Contraventions Act and the Controlle | 14328 14328 14328 14328 |
| Mr. Collenette Fisheries and Oceans Mr. Matthews Mr. Easter Mr. Matthews Mr. Easter Transport | 14323 14323 14323 14323 14324 | (Motions deemed adopted, bill read the first time and printed) Income Tax Act Bill C–502. Introduction and first reading Mr. Guimond (Motions deemed adopted, bill read the first time and printed) An Act to Amend the Contraventions Act and the Controlle Drugs and Substances Act (Marihuana) | 14328 14328 14328 14328 ed |
| Mr. Collenette Fisheries and Oceans Mr. Matthews Mr. Easter Mr. Matthews Mr. Easter Transport Ms. Catterall Mr. Collenette | 14323 14323 14323 14323 14324 | (Motions deemed adopted, bill read the first time and printed) Income Tax Act Bill C–502. Introduction and first reading Mr. Guimond (Motions deemed adopted, bill read the first time and printed) An Act to Amend the Contraventions Act and the Controlle Drugs and Substances Act (Marihuana) Bill C–503. Introduction and first reading | 14328 14328 14328 14328 ed 14328 |
| Mr. Collenette Fisheries and Oceans Mr. Matthews Mr. Easter Mr. Matthews Mr. Easter Transport Ms. Catterall Mr. Collenette Canadian Wheat Board | 14323 14323 14323 14323 14324 14324 | (Motions deemed adopted, bill read the first time and printed) Income Tax Act Bill C–502. Introduction and first reading Mr. Guimond (Motions deemed adopted, bill read the first time and printed) An Act to Amend the Contraventions Act and the Controlle Drugs and Substances Act (Marihuana) Bill C–503. Introduction and first reading Mr. Martin (Esquimalt—Juan de Fuca) | 14328 14328 14328 14328 ed 14328 |
| Mr. Collenette Fisheries and Oceans Mr. Matthews Mr. Easter Mr. Matthews Mr. Easter Transport Ms. Catterall Mr. Collenette Canadian Wheat Board Mr. Hoeppner | 14323 14323 14323 14323 14324 14324 14324 | (Motions deemed adopted, bill read the first time and printed) Income Tax Act Bill C–502. Introduction and first reading Mr. Guimond (Motions deemed adopted, bill read the first time and printed) An Act to Amend the Contraventions Act and the Controlle Drugs and Substances Act (Marihuana) Bill C–503. Introduction and first reading Mr. Martin (Esquimalt—Juan de Fuca) (Motions deemed adopted, bill read the first time | 14328 14328 14328 14328 ed 14328 14328 |
| Mr. Collenette Fisheries and Oceans Mr. Matthews Mr. Easter Mr. Matthews Mr. Easter Transport Ms. Catterall Mr. Collenette Canadian Wheat Board | 14323 14323 14323 14323 14324 14324 14324 | (Motions deemed adopted, bill read the first time and printed) Income Tax Act Bill C–502. Introduction and first reading Mr. Guimond (Motions deemed adopted, bill read the first time and printed) An Act to Amend the Contraventions Act and the Controlle Drugs and Substances Act (Marihuana) Bill C–503. Introduction and first reading Mr. Martin (Esquimalt—Juan de Fuca) | 14328 14328 14328 14328 ed 14328 14328 |
| Mr. Collenette Fisheries and Oceans Mr. Matthews Mr. Easter Mr. Matthews Mr. Easter Transport Ms. Catterall Mr. Collenette Canadian Wheat Board Mr. Hoeppner Mr. Goodale | 14323 14323 14323 14323 14324 14324 14324 | (Motions deemed adopted, bill read the first time and printed) Income Tax Act Bill C–502. Introduction and first reading Mr. Guimond (Motions deemed adopted, bill read the first time and printed) An Act to Amend the Contraventions Act and the Controlle Drugs and Substances Act (Marihuana) Bill C–503. Introduction and first reading Mr. Martin (Esquimalt—Juan de Fuca) (Motions deemed adopted, bill read the first time | 14328 14328 14328 14328 ed 14328 14328 |
| Mr. Collenette Fisheries and Oceans Mr. Matthews Mr. Easter Mr. Matthews Mr. Easter Transport Ms. Catterall Mr. Collenette Canadian Wheat Board Mr. Hoeppner Mr. Goodale Air Transport | 14323 14323 14323 14324 14324 14324 14324 14324 | (Motions deemed adopted, bill read the first time and printed) Income Tax Act Bill C–502. Introduction and first reading Mr. Guimond (Motions deemed adopted, bill read the first time and printed) An Act to Amend the Contraventions Act and the Controlle Drugs and Substances Act (Marihuana) Bill C–503. Introduction and first reading Mr. Martin (Esquimalt—Juan de Fuca) (Motions deemed adopted, bill read the first time and printed) | 14328 14328 14328 14328 ed 14328 14328 |
| Mr. Collenette Fisheries and Oceans Mr. Matthews Mr. Easter Mr. Matthews Mr. Easter Transport Ms. Catterall Mr. Collenette Canadian Wheat Board Mr. Hoeppner Mr. Goodale Air Transport Mr. Gauthier | 14323 14323 14323 14324 14324 14324 14324 14324 14324 | (Motions deemed adopted, bill read the first time and printed) Income Tax Act Bill C–502. Introduction and first reading Mr. Guimond (Motions deemed adopted, bill read the first time and printed) An Act to Amend the Contraventions Act and the Controlle Drugs and Substances Act (Marihuana) Bill C–503. Introduction and first reading Mr. Martin (Esquimalt—Juan de Fuca) (Motions deemed adopted, bill read the first time and printed) Committees of the House | 14328 14328 14328 14328 ed 14328 14328 |
| Mr. Collenette Fisheries and Oceans Mr. Matthews Mr. Easter Mr. Matthews Mr. Easter Transport Ms. Catterall Mr. Collenette Canadian Wheat Board Mr. Hoeppner Mr. Goodale Air Transport | 14323 14323 14323 14324 14324 14324 14324 14324 14324 | (Motions deemed adopted, bill read the first time and printed) Income Tax Act Bill C–502. Introduction and first reading Mr. Guimond (Motions deemed adopted, bill read the first time and printed) An Act to Amend the Contraventions Act and the Controlle Drugs and Substances Act (Marihuana) Bill C–503. Introduction and first reading Mr. Martin (Esquimalt—Juan de Fuca) (Motions deemed adopted, bill read the first time and printed) Committees of the House Procedure and House Affairs Motion for concurrence | 14328 14328 14328 14328 ed 14328 14328 |
| Mr. Collenette Fisheries and Oceans Mr. Matthews Mr. Easter Mr. Matthews Mr. Easter Transport Ms. Catterall Mr. Collenette Canadian Wheat Board Mr. Hoeppner Mr. Goodale Air Transport Mr. Gauthier | 14323 14323 14323 14324 14324 14324 14324 14324 14324 | (Motions deemed adopted, bill read the first time and printed) Income Tax Act Bill C–502. Introduction and first reading Mr. Guimond (Motions deemed adopted, bill read the first time and printed) An Act to Amend the Contraventions Act and the Controlle Drugs and Substances Act (Marihuana) Bill C–503. Introduction and first reading Mr. Martin (Esquimalt—Juan de Fuca) (Motions deemed adopted, bill read the first time and printed) Committees of the House Procedure and House Affairs Motion for concurrence Mr. White (Langley—Abbotsford) | 14328 14328 14328 14328 ed 14328 14328 14328 |
| Mr. Collenette Fisheries and Oceans Mr. Matthews Mr. Easter Mr. Matthews Mr. Easter Transport Ms. Catterall Mr. Collenette Canadian Wheat Board Mr. Hoeppner Mr. Goodale Air Transport Mr. Gauthier Mr. Collenette | 14323 14323 14323 14323 14324 14324 14324 14324 14324 14324 | (Motions deemed adopted, bill read the first time and printed) Income Tax Act Bill C–502. Introduction and first reading Mr. Guimond (Motions deemed adopted, bill read the first time and printed) An Act to Amend the Contraventions Act and the Controlle Drugs and Substances Act (Marihuana) Bill C–503. Introduction and first reading Mr. Martin (Esquimalt—Juan de Fuca) (Motions deemed adopted, bill read the first time and printed) Committees of the House Procedure and House Affairs Motion for concurrence Mr. White (Langley—Abbotsford) Mr. Adams | 14328 14328 14328 14328 ed 14328 14328 14328 14328 14328 |
| Mr. Collenette Fisheries and Oceans Mr. Matthews Mr. Easter Mr. Matthews Mr. Easter Transport Ms. Catterall Mr. Collenette Canadian Wheat Board Mr. Hoeppner Mr. Goodale Air Transport Mr. Gauthier Mr. Collenette | 14323 14323 14323 14324 14324 14324 14324 14324 14324 14324 14324 | (Motions deemed adopted, bill read the first time and printed) Income Tax Act Bill C–502. Introduction and first reading Mr. Guimond (Motions deemed adopted, bill read the first time and printed) An Act to Amend the Contraventions Act and the Controlle Drugs and Substances Act (Marihuana) Bill C–503. Introduction and first reading Mr. Martin (Esquimalt—Juan de Fuca) (Motions deemed adopted, bill read the first time and printed) Committees of the House Procedure and House Affairs Motion for concurrence Mr. White (Langley—Abbotsford) | 14328 14328 14328 ed 14328 14328 14328 14328 14328 14328 14331 14332 |

| Motion agreed to | 14333 | Mr. Mahoney | 14338 |
|--|--------|---|-------|
| Petitions | | Mr. Williams | 14338 |
| Child Pornography | | Mr. Mahoney | 14339 |
| Mr. Provenzano | 1/1333 | Mr. Mahoney | 14340 |
| Merchant Navy Veterans | 14333 | Mr. Proctor | 14340 |
| Mr. Goldring | 1/1333 | Mr. Mahoney | 14340 |
| Pay Equity | 14333 | Mr. Lowther | 14341 |
| Mr. Crête | 1/1333 | Mr. Mahoney | 14341 |
| MMT | 14333 | Mr. Harris | 14341 |
| Mrs. Ur | 1/1333 | Mr. Mahoney | 14341 |
| Grandparents Rights | 14333 | Mr. Harris | 14341 |
| Mr. Bevilacqua | 14333 | Mr. Mahoney | 14341 |
| Tobacco | 14333 | Mr. Epp | 14341 |
| Mr. Malhi | 14333 | Mr. Mahoney | 14341 |
| Grandparents Rights | 1 1555 | Ms. Desjarlais | 14341 |
| Mr. Harb | 14334 | Mr. Mahoney | 14341 |
| Human Rights | 11331 | Mr. Ianno | 14342 |
| Mr. Szabo | 14334 | Mr. Mahoney | 14342 |
| | 1.00. | Mr. Bachand (Saint–Jean) | 14342 |
| Questions on the Order Paper | | Mr. Shepherd | 14345 |
| Mr. Adams | | Mr. Bachand (Saint–Jean) | 14345 |
| Mr. Adams | 14335 | Mr. Ianno | 14345 |
| | | Mr. Bachand (Saint–Jean) | 14345 |
| GOVERNMENT ORDERS | | Mr. Bryden | 14346 |
| Public Sector Pension Investment Board Act | | Mr. Solberg | 14347 |
| Bill C–78. Second reading | 14335 | Mr. Shepherd | 14347 |
| Mr. Williams | | Mr. Harris | 14348 |
| Mr. Ianno | | Mr. Proctor | 14349 |
| Mr. Williams | | Mr. Wilfert | 14349 |
| Mr. Bryden | | Amendment negatived | 14351 |
| Mr. Williams | | (Motion agreed to, bill read the second time and referred | |
| Ms. Desjarlais | | to a committee) | 14352 |
| Mr. Williams | | | |
| Mr. Epp | | ADJOURNMENT PROCEEDINGS | |
| Mr. Williams | | Health | |
| Mr. Mahoney | | Mr. Szabo | 14352 |
| Mr Peterson | 14338 | Ms Caplan | 14353 |



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