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Speaker: The Honourable Gilbert Parent

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HOUSE OF COMMONS

Monday, November 15, 1999

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

• (1105)

[*English*]

INTERNATIONAL CIRCUMPOLAR COMMUNITY

Mr. Rick Laliberte (Churchill River, NDP) moved:

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

He said: Mr. Speaker, I am very proud today to stand on behalf of my constituents of Churchill River. I am also exceptionally proud to stand as a Metis member of parliament, as this week recognizes the Metis peoples of this country.

[*Editor's Note: Member spoke in Cree*]

[*English*]

The pride in representing one's people and the pride in being able to speak in the House of Commons to bring forth the issues and perspectives of this country is certainly paramount in this private member's motion that I bring forward.

The motion states:

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

The message I bring from people who live in the northern half of the provinces that touch on the 55th parallel is that we have been overlooked. The federal government by convenience has been sending delegations and representations to the Arctic Council of Circumpolar Nations and circumpolar conferences from north of 60.

The definition of the north seems to be a major problem in this country. We find that the definition of the north which exists on the website of our Department of Indian Affairs and Northern Development is that Canada's north is any land north of 60. I bring the message to Canadians that this is wrong. North is not only north of the 60th parallel. In this country north varies within political, cultural, territorial and geographic areas.

A major part of this discussion has taken place in the last 30 years, since in 1970 a man named Louis Hamelin wrote a book about nordicity. He brought out 10 factors to define the north, which created the Hamelin line. Different government departments have recognized the Hamelin line as being the definition of Canada's north.

A few years ago the Arctic Council was created and, symbolically, it was created here in Canada. Its eight member states are Canada, Denmark, Greenland, Finland, Iceland, Norway, Russia, Sweden and the United States. These member states sit as the Arctic Council. Our ambassador to the Arctic Council is Mary Simon.

• (1110)

I challenge the federal government to identify the Canadian north. Since it is recognized internationally that the circumpolar north is the 55th parallel, let us give the privilege of participation to any people or province that falls within the 55th parallel in the international circumpolar community. Opportunity should be given to British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. I have excepted Quebec because Quebec has been involved. A portion of Quebec falls within the 60th parallel and it has been involved in the dialogue in the circumpolar community. However, I ask that the other provinces be given that opportunity.

The development of the north is truly a challenge for this country. It has vast tracts of land, vast resources, but very few people. The population of the north is not democratically represented in the House of Commons. There are very few northern members of parliament and very few senators who sit in the other house who specifically represent the north. This is a wake up call for the government. Even though there are small populations, let us represent these regions.

Private Members' Business

I have been involved with the northern regions in the dialogue and discussions of the circumpolar community as an observer, most recently in Whitehorse where the concern was sustainable development. The discussions of course, first and foremost, concern the connection of our people to the land, the interconnectedness between sustainable development and the future development of resources to sustain life.

The cycle of life is paramount in Nordic countries like Sweden and Denmark, which are smaller countries with smaller resources. The long term use and sustainability of their resources is paramount. Just because Canada has more vast tracts of land, we cannot overlook the lessons we can learn from our neighbouring countries in the north. The design of our houses, the design of our roads, the design of our infrastructure all come into play. We can learn from the member states, from our neighbours.

The issue of pollution is a subject of major dialogue because of transboundary pollution. My riding is called Churchill River, which obviously has within it the Churchill River. However, the river flows into Hudson Bay, so all pollution in the water of Churchill River affects Hudson Bay and the Arctic region.

The McKenzie River system, which flows into the Arctic, starts on the southern side of the 60th parallel. It does not start north of the 60th parallel, so anything that happens in the river system, in the watershed area, affects the northern regions and the circumpolar regions.

I wanted to raise that because the jurisdiction, through the Natural Resources Transfer Act, belongs to the provinces. The provinces are responsible for water and land resources. Recently some federal responsibilities for the environment have been transferred to the provinces. However, this further transfer is not taking place with further resources.

The federal government has to take responsibility, define the north, involve these provinces and the northern peoples to represent the issues and their grievances among each other and to find solutions to the problems and ways of transferring this knowledge to further generations.

It is a long journey we are undertaking as we go into the new millennium. I believe the challenges that face us are now at the forefront. The Kyoto protocol, which identified major changes in our climate, will affect the north in a very unique and specific way. I say again that Canada needs to define the north. I welcome members from all corners of this country taking part in this dialogue.

• (1115)

An issue raised by people representing Quebec concerned the French translation of Canadian boundary being a bit different than our intention. I do not want to pretend that I can master French but *frontiere* is the term recommended to us. I believe members of the

Bloc raised this issue to clarify the definition they would like to see.

We did not purposely bring an international boundary issue to Canada, but the northern half of our provinces, the 55th parallel, are not being involved in dialogue on northern issues. They have to be involved in this dialogue so they can bring home the issues from the major conferences which are taking place. I am talking about such conferences as the Arctic Council which talks about foreign issues, defence issues, pollution issues, resource depletion issues and social and health issues. All these issues are specific to the north. This dialogue should remain in the north and northerners should not be excluded from it. The 55th parallel represents a huge community within our country and it is up to us as a country to involve these people.

In addition, the boundary of convenience is the term we would like to use. The 60th parallel has been a convenient boundary for the federal government in its definition of the north. It is time for the federal government to redefine the north and open the books on the definition of the north. We should first strike the web page definition from the Indian affairs definition of the 60th parallel and begin dialogue in the House of Commons.

We should discuss where the issues take place. As I mentioned, there are international forums such as the Arctic Council. However, if we have issues in the north I believe the wealth of the north will sustain the economic future of the country. If we do not involve the people who live in those regions, we will be making a big mistake.

We have to put ourselves at an international level so we can compete and share our wisdom. This wisdom is sometimes locked into what we call aboriginal traditional knowledge. Just because a birch tree is called a birch tree in English it may have a French definition. The scientific community might have a Latin definition. The Cree have a Cree definition.

[Editor's Note: Member spoke in Cree]

[English]

The Dene have a Dene definition of that same birch tree. Our universities and our knowledge based institutions do not recognize the aboriginal language definition of these trees. They test us in the Latin, English or French definition but do not give credit for our aboriginal knowledge.

We know the moss, the *Maskêk*, the muskegs of the world, through the boreal forests or the taiga of northern Europe and Russia, breathe oxygen to us. However, we are taking forestry, which is a huge industry in the country, to a point where ranch lands take over the deforested areas and then agriculture kicks in. We are losing the natural abundance of oxygen producing forest land, the boreal forest.

I am told that we are losing the boreal forest faster than the Amazon forest because of the huge machinery being used today.

This is all for an immediate economic gain. That is the sustainable future that I am talking about. If that dialogue is to take place we have to talk to the people who live in the forests so they can understand the impact those industries are having within their area. They will then be able to make sound decisions on economic, social or environmental impacts. Their knowledge of either Cree, Dene, Ojibway and all these languages will be recognized and credited as part of future developments.

• (1120)

The reason I raise this is that I applaud the efforts of the Arctic Council. I applaud the efforts of the Northern Forum. I applaud the efforts of the Inuit Circumpolar Conference. These conferences are a guide and a good future for us. It is like these people have worn the snowshoes for us and are making the trail. They are making a trail which recognizes each other. They are dialoguing with foreign and international neighbours. They are recognizing and respecting each other for who they are and where they are from.

As a country we can do that, but allowing only a certain portion of the north to be a part of this dialogue is a major oversight by the federal government. That line should be brought down to the 55th parallel which is internationally recognized as a northern community. Let us start the dialogue within our own country. Let us involve the people north of 55 to be part of the northern definition and the dialogue in the international community as we deem it as a circumpolar community.

I am proud to be a northerner, but Canada, give us a chance. There are a lot of examples the north can give to the rest of the country and to the rest of the world. Give us an opportunity and we will shine, as does the northern star.

Mr. Bill Graham (Toronto Centre—Rosedale, Lib.): Mr. Speaker, I congratulate the member for Churchill River for introducing the issue of the Arctic into the House. It is a subject which I think has not been prevalent enough in our debates and discussions. He is to be commended for taking this initiative.

He may be aware that our committee, the foreign affairs and international trade committee, a year and a half ago undertook a study, Canada and the Circumpolar World, which was deposited in the House before the last election. The response of the government was subsequently tendered in the House. I will speak to that in a few minutes.

We have to recognize that we share many challenges and opportunities in common with our Arctic neighbours. Canada is seeking solutions to expand a northern co-operation and how our northernness contributes to organizations within the United Nations, Organization of American States and others. The past decade has witnessed an unprecedented process of multilateral co-opera-

Private Members' Business

tion and institution building in the circumpolar north designed to foster circumpolar co-operation in tackling the region's problems and aspirations.

Canada has been an active player in the circumpolar north for many years. It is an area where we have important interests at stake and where we can exercise meaningful influence and leadership. Being clear about our aims will help ensure that we have the greatest possible benefit from our diplomatic, scientific and other international efforts in and concerning the circumpolar region.

From time to time we have pursued specific policies in the region, as with our initiative to establish the Arctic Council to which the member for Churchill River mentioned in his speech.

[*Translation*]

Vigorous circumpolar institutions and processes are now emerging, and they will play an increasingly important role in facilitating collaboration between governments and the people of the north.

Among the concrete expressions of this emerging circumpolar community is an increase in person-to-person contact. These developments all contribute to a shared vision of responsible action in an increasing number of areas.

That is why this government expressed its intentions in this area in the recent Speech from the Throne:

To advance Canada's leadership in the Arctic region, the Government will outline a foreign policy for the North that enhances co-operation, helps protect the environment, promotes trade and investment, and supports the security of the region's people.

[*English*]

Indeed, many of the complex issues we face as a nation are centred around the direct concerns of northerners. This initiative, therefore, is also in keeping with the prominence the government gives the human security agenda in Canada's foreign policy.

• (1125)

The Minister of Foreign Affairs intends to move forward in this area by examining the possibilities in the trade, investment and transportation sectors by exploring new ways of dealing with the pollutants that threaten the livelihood, lifestyle and often the existence of our northern communities, by seeking new approaches to connect communities and forge partnerships in order to secure a better life for all northerners, and by examining how northern issues, practices and solutions might have an application and expression elsewhere. In other words, he will make the northern agenda a two-way proposition.

With this in mind, the government is working on a comprehensive new document called "The Northern Dimension of Canada's Foreign Policy" which will be ready by the end of this year.

Private Members' Business

At the beginning of my remarks I made reference to the report that the foreign affairs and international trade committee filed in the House entitled *Canada and the Circumpolar World*. The Government of Canada's response was filed in the House. In our report we raised many of the issues that the hon. member for Churchill River raised in his speech. It recognizes the nature of the northern community and its specificity, yet also how it links to the south and our neighbours.

In the course of preparing our report, the members of the House had the opportunity to travel to Russia and the northern nations that are our neighbours and of speaking to the people in our circumpolar region. We learned that there is much work to be done there to integrate members of the northern community into what is taking place in the world.

I believe strongly that the formation of the Arctic Council was an extremely important part of that community building. If our northern neighbours in our own country are to affirm their specificity and develop a life for themselves which guarantees the preservation of their lifestyle, surely the member for Churchill River will agree with me that one of the best ways to ensure this is to ensure they have strong collaborative links with people of similar aspirations and backgrounds who are their real neighbours in the north. I am speaking of people in northern Russia, northern Finland, northern Norway, northern Sweden and Greenland. These are people who share similar aspirations and cultures, people with whom our citizens in Canada, in northern Quebec, the Northwest Territories and the Yukon, can be in daily contact with through the Internet. They have regular communications.

They also have something else and totally new in the Arctic Council. The Arctic Council is an unusual international organization. It brings the members of the Arctic nations together, not only the countries I have already spoken about but also the United States of America. Through Alaska, the United States is an arctic nation.

In the Arctic Council there is a relationship that has been developed that is very unusual in international law; that is, the role of the aboriginal peoples of the north to actually have the right to participate in the deliberations and actively be involved in the Arctic Council. That is an extremely important innovation in an international institution and an innovation that we can learn from in other international institutions where, as members of the House know, there is considerable concern today that individuals do not have relationships with huge international organizations like the WTO or even the United Nations.

What is happening in the Arctic through the Arctic Council is that the aboriginal peoples who live there are having an input into an important part of what is not only Canadian foreign policy, but the development of their lifestyles in that area.

We all know that northern issues are complex, ranging from the questions of sovereignty and defence to issues of industrial and commercial development, new trading relationships and transportation routes, environmental protection, research and education, health and social development, and the promotion of cultural diversity.

• (1130)

The circumpolar community embraces some of Canada's most important foreign policy partners, as I believe I have demonstrated, from the Nordics and the EU to the U.S.A. and Russia. Only by working together and building on the broad community of regional organizations from the Arctic to the Barents Council and promoting co-operation, coherence, and synergies between and among them, is Canada better able to move forward on these many issues that tend to be transboundary concerns.

The end of the cold war has opened new possibilities for co-operation with Russia and the Baltic states. There are also exciting new possibilities for partnership with other countries of the north, particularly Russia, the Baltic states and with various communities within the north, particularly the indigenous peoples operating through the Arctic Council and other institutions that we can build in the future.

We know of the Nordic Council, the Council of Baltic Sea States, the Barents Council and the Arctic Council. They are four important institutions that have been developed in the north to enable an international dimension to be brought to the existence and preservation of indigenous people.

I conclude by saying to the member that perhaps in my remarks I have not addressed his specific concern about the 55th parallel, but I did want to bring to the debate a dimension which I thought was important. I remind the House that the Arctic is a region of Canada that is part of a circumpolar region. Its development, the development of its people, their survival, their way of life and their existence in the global community will only be preserved if we bear in mind their relationship to their Arctic neighbours and our relationship to our Arctic neighbours and the way in which we work together in these important international institutions.

I urge the hon. member opposite who has brought this matter before the House not only to bear in mind the issues which he raised in his speech, which I think were very appropriate, but also those other issues of foreign policy which I think we have to focus on if we are going to guarantee that the indigenous peoples of the north will preserve their way of life.

I believe that the government through the activities of the Minister of Foreign Affairs and the Minister of Indian Affairs and Northern Development is doing exactly that. The government is focusing on not only the domestic dimension of this issue but the international one.

Private Members' Business

Mr. Gurmant Grewal (Surrey Central, Ref.): Mr. Speaker, I rise on behalf of the people of Surrey Central and as one of the official opposition's critics for foreign affairs to debate Motion No. 237.

The motion asks the government to recognize the 55th parallel as the Canadian boundary for participation in the international circumpolar community. The 55th parallel is accepted by the international community as the boundary that separates the circumpolar territory of the world from more southerly regions.

The NDP member of parliament may simply want to make sure that our domestic laws and policies coincide or match the boundaries that are used by the eight countries concerned with the northernmost regions of the globe, but this may not be the case.

We in the official opposition are very often alone in opposing the positions taken by others in the House on issues like Nisga'a, where the benefits are given based on race and not based on need. In the next 20 years the courts will vindicate our position on the Nisga'a bill.

While the Liberals try to figure out whether or not there is an agricultural crisis, we are going to the hardest hit communities to rally support for a long term solution. Being the foreign affairs critic I can say that apart from the other practical solutions that are possible we propose an aggressive campaign against punitive foreign agricultural subsidies. I am sure that today our farmers are wise enough to make well informed choices.

Forty per cent of our country lies in the territory north of the 60th parallel. If we lowered the mark to 55 degrees, it would be significantly more than 40%. This area would clip off the tops off the provinces. If we included the range of provincial north in addition to Arctic Quebec and Labrador, a great deal of policy concerns would come into play. This is noted in "Canada and the Circumpolar World", a 1997 report of the foreign affairs committee.

• (1135)

Many federal-provincial matters will result from the lowering of the boundary that we draw to separate northern Canada from southern Canada. Imagine the interprovincial and federal-provincial squabbling and fighting that would ensue if the boundary were lowered.

Most of the policies that concern our Canadian north are federal government policies. The area between the 60th and the 55th parallels is covered by aboriginal policies under the jurisdiction of the department of Indian affairs, in particular its northern affairs branch. There are other issues. There are environmental concerns in our mid-north. Resources would be affected.

It seems that a great deal of consideration needs to be given to this motion. There may not even be a problem having our domestic

circumpolar boundary being five degrees less than the boundary referred to in the country's international policy. The motion is not clear as to why the domestic boundary should be changed. The 60 degree mark is the product of the Arctic Council of eight arctic countries.

Should we be spending taxpayers' money to be a member of the Arctic Council? That is a big question. We are known to be a member of every organization that exists without evaluating whether or not it is useful or productive to be a member. It is a big question of whether we should be a member of the Arctic Council. Maybe we should study that. The government spends millions of dollars every year to keep us in good measure with the Arctic Council and a host of other international organizations.

Let us look at the Reform Party policy. We referred to the Arctic Council in our foreign policy statement which was unveiled a few moments ago. It is entitled "Canada and the Millennium: A New Look at Foreign Policy". It is a wonderful document and I encourage every Canadian to go through it. It is analytical and has vision. It is a beautiful document. I encourage everyone to read it.

Chapter seven deals with policy in relation to international organizations. We state that the government spends our tax dollars to join organizations just for the sake of joining. The Liberals, and the Tories before them, have a reflex reaction to international problems. They have knee-jerk decision making policies. They immediately support, promote and create international organizations.

One example is the Arctic Council. In 1996 Canada was instrumental in lobbying for the creation of an Arctic Council of circumpolar states. Its precise purpose and utility remains unclear now as it was in 1996. The council's value seems to have been largely symbolic. The Liberals have not been able to work out what that council does and why its activity would affect Canada. So many other questions remain unanswered.

The U.S. is not enthusiastic about the council either. It will not deal with matters relating to military security for example. It is open to question whether Canada should be a member of such organizations but the government spends tax dollars as if it were at a casino with bags and bags of cash to spend. This government is a spend and spend and tax and tax type of government. It is spending an enormous amount of money in this organization.

• (1140)

Why are we worried about the 60th parallel? While Canada certainly should seek to maintain constructive and friendly relations with all countries, our resources are finite. The Reform Party believes that we must focus our diplomatic attention first on those countries and regions where we have the most significant political, strategic and economic interests and second on those countries that are most important to Canada and Canadians.

Private Members' Business

Our most significant political partners are the countries that make up the North Atlantic Treaty Organization and the G-8 countries. These are the countries whose diplomatic policies have the greatest impact on Canada.

In strategic terms we need to focus on those regions from which direct threats to Canada or to vital Canadian interests might arise, namely North America, the circumpolar region and Russia, the Euro-Atlantic region and the North Pacific and East Asia. In economic terms, national interest demands that we concentrate on promoting trade relations with those countries and regions that are crucial to promoting the prosperity of Canada. It is very important that we look at it in these two terms.

In this regard, 98% of Canada's trade is conducted with the United States, the Americas, Europe and the Pacific Rim. That is where our business lies. Those are the partners with whom we should do business and where we should go to great lengths to do business. That is where we should concentrate our efforts. That is where we should put our scarce resources.

In conclusion, as a result of political devolution and participatory development, global interest in the circumpolar region is expected to increase in the future. It has great potential geopolitical significance in terms of the issues of environmental change, indigenous rights, sustainable human development and development of the immense natural resources that are in the Arctic region.

Building an adequate framework for circumpolar co-operation is essential to avoid future international conflicts. This motion is only part of the bigger picture of foreign policy. We need a fundamental change in our foreign policy. We cannot afford to fix our foreign policy bit by bit. A complete renovation of our foreign policy is needed.

We have seen what the Liberal government has done with the Citizenship Act and the Immigration Act. It has done it piece by piece and has screwed up the whole Immigration Act which is not serving Canadians' best interests. Similarly, there is a need for us to look at our foreign policy in the bigger picture and evaluate the important elements of foreign policy which would be beneficial to Canada and Canadians.

I encourage the NDP member and all Canadians to study the Reform Party's foreign policy proposal which was unveiled today and which is called "Canada and the Millennium: A New Look at Foreign Policy". It is a wonderful document.

[*Translation*]

Mr. André Bachand (Richmond—Arthabaska, PC): Mr. Speaker, I will take a few minutes to speak on the hon. member for Churchill River's Motion No. 237.

Essentially, the discussion on this private member's motion is focused on where Canada's north begins. Where do we start applying the term "northern Canada?" This is an important issue.

Those who have spoken before me referred to the international aspect, but there is a very significant national, domestic, aspect as well.

I would like to mention, before I go on, that our Reform Party colleague has referred to a new document on foreign policy: "Canada and the Millennium". But which one is it? It seems to me that when the Reform Party refers to the millennium, it means the last century, not the coming one.

• (1145)

I hope it is a mistake. We are going to speak of Canada and the new millennium and not of the millennium, because we could be speaking of the 19th or the 20th century, rather than the 21st century.

That said, when the member for Churchill River speaks of the 55th parallel rather than the 60th parallel, I think that what he wants first and foremost is to strengthen the people, the representatives living and working in what is called northern Canada and the eight countries in this circumpolar group, the world's circumference in the north.

The member explained very well that the north is often taken for granted. The desire is to strengthen the people living there, politically, so issues concerning the environment and sustainable development in the north may be recognized.

The member also wants—and we may or may not agree with him—to give the north greater political clout within the country. If the parallel is changed from the 60th to the 55th, many more people and groups will be involved, and many more provinces will be concerned about the issue of the Canadian and international north.

The issue, in the end, is where does the north begin? Unfortunately, because of the way we work, we do not have a lot of time to get to the heart of what is behind this motion. However, it would be interesting to know the aim and the impact locally, within the country itself. Does the hon. member know, for example, if the territory identified as the north will increase? What will be the impact on the departments concerned? What will be the impact on the departments of natural resources and Indian affairs? There will certainly be a financial impact.

If part of the provinces' territory is now included in the Canadian north, they will have different obligations provincially, federally and internationally. There will be an impact. Before the provinces are told "We are going to impose on you part of what will be called the Canadian and international north" they should be thoroughly consulted.

Private Members' Business

Quebec is considered an example because of its work with its northern communities, except that such work is not easy to do.

Unfortunately, we will not be supporting the motion as introduced by the hon. member for Churchill River. He should, however, be congratulated for bringing the issue of Canada's far north and the international north before the House.

Often, the far north is seen as a deserted area with few inhabitants which has little political clout domestically and internationally but which is a source of revenue and a national treasure because of its natural resources.

There is an increasing realization that it is a treasure that must, of course, not be polluted, that must not be taken for granted, a treasure that must be developed in co-operation with the people who have lived there for a very long time, and who were there even before the Europeans arrived here. They must be included.

I am not sure that changing the international boundary would make a big difference. It would perhaps give stakeholders in Canada's north additional political clout.

That having been said, the far north is going to take on increasing importance. There is much talk about high technology. We have only to look at investments in high technology, pharmaceuticals and telecommunications in the national capital area and in the vicinity of Quebec City. We are told that these are the technologies of the future.

Any decision to manufacture silicon chips in Canada's far north would be hampered by transportation considerations. Nonetheless, Canada's economic stability lies in its natural resources. The far north is an absolutely marvellous place that must be developed, but that must be developed wisely and in a measured, or sustainable as they say, fashion.

The natural resources of the far north and the high tech industry of the south must be developed within the parameters of sustainable development.

• (1150)

We maintain that the hon. member's motion would increase the critical mass of people living in the international north. This is the idea. However, we must not forget that the provinces' boundaries, both in the south and in the north, are defined by parallels.

The situation created by the provinces in Canada does not exist in most of the other countries that are part of this circumpolar community. We must be careful. Canada's situation and history are different from those of the other countries that are on the same parallel, whether it is the 60th or the 55th. The provinces' territorial division reflects a situation and a history that are different and that are not found in the other countries.

This must be recognized and Canadian governments, both Liberal and Conservative, did recognize it.

That being said, the objective is to give the north much greater political, demographic and economic clout. We must also be logical in our approach. When we refer to the 55th parallel for seven or eight countries, we are speaking for all the countries concerned.

What we are saying is that Canada's historic and territorial reality prevent us from supporting this motion. However, we ask the government to set a clear policy, not to deliver a policy statement here in the House, but to truly work on a permanent basis with those who have the honour and the pleasure of living in what we call the north.

If you asked Quebecers and Canadians to name a place where they would like to live, I am convinced that the vast majority of them would not choose northern Quebec or northern Canada. We must therefore help and support those who live in the north and, more importantly, we must respect their social, economic and cultural environment. We must recognize that these people are giving Canada a territorial sovereignty over a very sparsely populated region of the country.

If it were not for these people, territorial sovereignty as we know it in the Canadian far north would not exist. Quebec's old civil code used to provide that when a person occupied a piece of land for 25 or 30 years, that land belonged to that person, unless it was claimed by another party. The occupation of a territory is a concept that exists in international law.

In order to ensure that Canada does not lose the great and rich territory, the difficult territory that is our Canadian far north, the international north, efforts must be made to ensure that the people living there are supported and have a voice both here in Ottawa and in the provinces, as well as internationally.

I therefore congratulate the hon. member for Churchill River on his great concern for northern issues and for increasing our awareness of them. Every time this hon. member raises something in the House, it is something positive. The people living in a region must be respected, as must the region in which they live.

There is a connection between the two and we salute the hon. member for Churchill River for raising our awareness of an issue with which he is so familiar, the people of the northern region and their region itself.

I congratulate him on his undertaking, but the question of whether to use the 55th or the 60th parallel is a highly complex one, deserving of far more debate. We congratulate the hon. member, therefore, but unfortunately cannot support a change in the international border for the international far north and the Canadian far north.

*Private Members' Business**[English]*

Ms. Bev Desjarlais (Churchill, NDP): Mr. Speaker, my hon. colleague from Churchill River and I share the Churchill name. We certainly share ridings that are very similar and ridings from the 50th parallel to the 60th which do not have an opportunity to be part of circumpolar discussions internationally because of the way Canada recognizes our communities north of the 55th parallel.

I thank my colleague from Churchill River for bringing forward Motion No. 237 which states:

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

• (1155)

It is not something that is way out of line, considering that all other countries recognize it. One has only to wonder why Canada would choose not to recognize the 55th to 60th parallels as part of the same circumpolar area.

I would hope that it is not simply because we have already put boundaries in place, as my hon. colleague from the Progressive Conservative Party mentioned when he said that we have these boundaries in place and it becomes really hard or impossible to do things.

Might I suggest we are a country that just recognized a new territory. We took one entire territory, put another line in place, and recognized a new one because we recognized that people in that area had specific concerns and felt they should be represented in a certain way.

I do not think it is unreasonable to suggest that the people and communities that fall within the 55th to 60th parallels should have the opportunity to have their wishes expressed as part of the circumpolar global community. As I said, the rest of the world acknowledges the 55th and one has only to wonder why Canada chooses not to.

Let me assure the House that those of us who live north of the 55th parallel consider ourselves northerners. We understand what happens in the country north of us because we have very great similarities. I might add that once we reach a certain point in the northern community such as the 53rd or 54th parallel, it becomes a very specific part of our life.

We acknowledge that. We identify our communities by that. My home community of Thompson, Manitoba, identifies itself as north of the 55th. The community of Snow Lake identifies itself as north of the 54th. It becomes very important to each of us because we know the differences that happen when we reach that point. There are differences geographically, demographically and climatologically. There are grave differences within our country.

I do not have a lot of time but I want to get in a couple of key points. I guess the member of the Reform Party as well as the member of the Progressive Conservative Party are united in a lot of ways. They are united when it comes to voicing that this is all wonderful and that we should do this, this and this. However, they do not want to put anything in action and they do not really believe people should have a say.

The hon. member of the Conservative Party indicated that if most Quebecers were asked they would not want to live in the north. Quite frankly maybe that is the case but because most Quebecers do not want to live in the north why do we deny those persons and communities north of the 55th parallel the opportunity to have a say? Is it just because most Quebecers do not want to live in the north?

In northern Manitoba we do not have the majority of the population, but the people who are there strongly believe in the north. We are committed to the north. A good number of the people have lived there for 25, 30, 40 and 50 years because they believe in the north. We believe in northern Canada. We are not willing to go in there, reap the resources from the north and leave nothing in return. We are there committed to our communities and we deserve to have the same right for representation internationally within the circumpolar community as have people everywhere else. I find it disappointing anyone would suggest that just because others do not want to live there those in the north should not have a say.

Since I probably do not have a whole lot of time to get into a lot, I will comment that it was also indicated that the provinces would not necessarily be supportive of lowering the parallel from the 60th to the 55th. I will comment on a report that the foreign affairs committee presented last year which commented on how the provinces felt:

Generally, however, the provincial dimensions have not been very prominent in analyzing Arctic affairs affecting Canada; the exception being Quebec which is clearly the most advanced in terms of examining its distinctive "nordicité" within a domestic and international context.

I suggest that is the case because Quebec has been a part of the circumpolar conference and the other provinces have not. By including them in the circumpolar grouping they would be very much more involved in the north and what happens there.

The Acting Speaker (Mr. McClelland): The hon. member for Churchill will have approximately five minutes when next this issue comes to the House for debate.

• (1200)

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

BUSINESS OF THE HOUSE

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I rise on a point of order. I wish to seek unanimous consent to move the following motion. I move:

That, notwithstanding any standing order or usual practice of this House, if at any time after 3.15 p.m. during this day's sitting, a minister of the crown requests that the House revert to Introduction of Government Bills, the House shall do so and the bill in the name of the Minister of Labour, entitled an act to provide for the maintenance of west coast ports operations, 1999, shall be introduced, read a first time and shall be disposed of as follows:

1. Commencing when the said bill is read a first time and concluding when the said bill is read a third time, the House shall not adjourn except pursuant to this order or to a motion proposed by a minister of the crown, and no Private Members' Business shall be taken up;

2. The said bill may be read twice or thrice in one sitting;

3. After being read a second time, the said bill shall be referred to a committee of the whole;

4. During consideration of the said bill, no division shall be deferred;

5. After no more than six hours of consideration of the said bill, all questions necessary to dispose of the bill at all remaining stages shall be put forthwith and successively without further debate or amendment;

6. Immediately after the said bill is disposed of the House shall adjourn.

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

Mr. Randy White (Langley—Abbotsford, Ref.): Mr. Speaker, I would like clarification from the government House leader.

If we do get into the bill this afternoon, is that in the event that there is no agreement whatsoever in the Vancouver port situation? Or, is this introduction today a result of asking that we bring this in, in any event? In other words, I would like to know, more or less, the status of where this is at at this point in time in British Columbia before we give unanimous consent. If there is no agreement today, then we will discuss this legislation today and finalize it today?

Hon. Don Boudria: Mr. Speaker, I do not mind responding very briefly so as not to delay the House.

The government is quite firm in its resolve that this afternoon, if there is not a situation whereby the people will be going back to work, either because they have decided to, which I understand they have already done, or because management prevents them from going back to work, which is the condition remaining, there will be

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agreement to go back and a commitment to go back to work. Otherwise we will proceed with this legislation.

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): Mr. Speaker, the government is rightfully seeking unanimous consent to proceed with this motion. I want to say that we will support this motion in order to open the port of Vancouver.

• (1205)

However, I must say that in my years as a member of parliament this is the first time I have ever had to address backward legislation which would encourage employers to go back to work when in fact they have locked out their employees. If they want to end the situation and get the port working it would be simple to take the padlocks off the gates which they have locked.

Mr. Randy White: Mr. Speaker, I am not standing here as my colleague from the NDP did to enter into debate; I am merely asking a question that I am not certain was answered by the government House leader.

This is not a matter of just going back to work. My question is, giving approval to this—

The Acting Speaker (Mr. McClelland): With respect, the question was put to the government. The response was very clear and we are not going to debate it.

Mr. Randy White: Mr. Speaker, it was not clear.

The Acting Speaker (Mr. McClelland): Yes, it was and we are not going to debate it.

The government House leader has put a motion to the House. Is there unanimous consent for the government House leader to put the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. McClelland): Does the House give its consent to the motion as presented by the government House leader?

Some hon. members: Agreed.

(Motion agreed to)

Mr. Randy White: Mr. Speaker, I was seeking clarification as to whether the government was satisfied with merely going back to work or having a collective agreement in place. The Chair did not give us the opportunity to make that clear before we approved this. I am very disappointed in the Chair.

*Government Orders***GOVERNMENT ORDERS***[English]***CAPE BRETON DEVELOPMENT CORPORATION
DIVESTITURE AUTHORIZATION AND DISSOLUTION
ACT**

Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.) moved that Bill C-11, an act to authorize the divestiture of the assets of, and to dissolve, the Cape Breton Development Corporation, to amend the Cape Breton Development Corporation Act and to make consequential amendments to other acts, be read the second time and referred to a committee.

He said: Mr. Speaker, the legislation which is now coming before the House for debate, Bill C-11, is an important component in the reshaping of the coal mining industry on Cape Breton Island. I hope that all hon. members will be able to give this legislation their prompt and favourable attention.

The bill is quite simple. It provides the legal authority for the Cape Breton Development Corporation, otherwise known as Devco, to sell all or substantially all of its assets consistent with a privatization plan recommended by Devco's board of directors and agreed to by the Government of Canada in January of this year.

Timely passage of this bill will allow us to proceed as quickly as possible to secure a purchaser for Devco's assets and to finalize a transaction which can help lift some of the clouds of uncertainty about the future of coal mining on Cape Breton Island and confirm the maintenance of good solid private sector jobs.

Let me put this bill into context. For some 300 years coal mining has been an integral dimension of Cape Breton's existence. It is ingrained not only in the island's economy, but also in its heritage, its culture and its very way of life. For the past three decades, since 1967, Devco, as a federal crown corporation, has been the principal instrument by which mining activity has been undertaken. There are strong historic bonds between the corporation and Cape Bretoners which cannot be taken lightly and which must be treated respectfully.

• (1210)

Any accurate reading of the present day realities and future possibilities would indicate that a turning point has indeed been reached. The time has come for some fundamental change.

It is instructive to note that as far back as the Donald Commission of 1966, in a report entitled "The Cape Breton Coal Problem", a recommendation was made to phase out coal mining on Cape Breton and shift the local economy to other more viable alternatives. Devco was created as a result of that particular report. Its mandate was to discontinue uneconomic coal mines while providing other employment outside the coal industry and diversifying Cape Breton's economic base.

Since 1967, as a Devco shareholder, the Government of Canada has invested approximately \$1.6 billion in keeping the corporation's coal mining operations afloat. The federal treasury has also provided more than \$500 million over that same time period for economic development initiatives beyond coal, first through Devco's industrial development division and after 1998 through the then newly established Enterprise Cape Breton Corporation, known as ECBC. Everyone would agree that this is a great deal of money, particularly the operating subsidies for Devco.

Beginning in the early 1990s, shortly after the economic development mandate was shifted from Devco to the ECBC, successive federal ministers in successive governments established target dates by which Devco was to have implemented business plans to attain commercial viability in its coal operations without the need for ongoing subsidization. Most recently, in 1996 my immediate predecessor fixed 1999 as such a target date and provided Devco with a federal loan of some \$69 million to be drawn upon over that three year period while commercial viability was being achieved.

The board of directors, the management and the employees laboured mightily toward that important goal. However, unfortunately, by late 1998 it became evident that the goal was simply unattainable. Chronic geological problems, productivity levels that were below industry standards, quality considerations, uncompetitive costs and pricing led the board of directors to some serious and unavoidable conclusions.

They requested that their 1996 loan obligations of \$69 million be forgiven, plus they identified a further requirement of some \$81 million to keep Devco functioning through the year 2000. The board of directors recommended that when the specific mining operations then under way in Devco's Phalen mine were completed in about 15 to 24 months' time, Phalen should be closed. They also recommended that a private sector buyer should be sought to purchase all of Devco's remaining assets, that being the best and most realistic way to sustain as many coal mining jobs as possible, estimated at perhaps up to 500 jobs, in a commercially viable operation.

The board of directors further recommended a human resources compensation package for those employees, estimated at approximately 1,000, who would not likely find work with a new private

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owner. That package, including early retirement incentives for about one-third of the affected employees and severance and training arrangements for the other two-thirds, was costed at approximately \$111 million. The package is fully consistent with the requirements of the collective agreements between Devco and its unions, and in some respects it exceeds those requirements.

The Government of Canada accepted those recommendations from the Devco board of directors and it added a further initiative, an incremental \$68 million in a fund to further promote economic adjustment and development on Cape Breton in addition to what would normally be undertaken by either the ECBC or the Atlantic Canada Opportunities Agency, or the federal department of Human Resources Development Canada or any other federal department or agency. I announced all of these decisions last January.

• (1215)

Since that time there has been a number of further developments, some of them good and some of them bad. On the good side, the Government of Nova Scotia has come forward with an incremental \$12 million to add to the economic development funding, bringing the available total for economic development now to \$80 million.

As requested by Cape Bretoners, local consultations have been undertaken to obtain the very best possible local advice about how to use that new funding. Everyone wants wise decisions to be made to achieve sustainable, long term economic diversification and growth. Community groups, the clergy, labour organizations, industry and business representatives, local authorities, academics and private citizens have been putting forward some very creative and innovative ideas to reshape and reinvigorate the local economy.

The panel that was assigned to conduct these consultations with Cape Bretoners is now preparing its summary report of what it heard. Federal and provincial officials will use that information as the basis upon which to design an economic investment strategy for Cape Breton. The initial elements of that strategy should be operational during the first quarter of the year 2000.

Also on the positive side, Devco has engaged the firm of Nesbitt Burns to serve as its financial adviser and to see out potential purchasers of Devco's assets. The assets for sale include the Phalen and Prince collieries, the Donkin Mine site, the corporation's coal pier and railway, its coal preparation plant and related mine infrastructure. Private sector expressions of interest are expected in December.

The legislation now before us is the key to moving that process forward. The future hinges in large part upon that process being successful, and of course Devco and the Government of Canada will be most interested in a buyer who will make the most tangible and long term commitment to Cape Breton.

On the negative side of the equation, since our announcement last January Phalen Mine has experienced two very serious roof

falls which have raised questions about human safety. The board of directors consequently took the position, and I think everyone agrees rightly so, that for safety reasons first and foremost Phalen had to be closed now, not sometime in the latter part of next year which had been the original expectation last January.

This early closure precipitated by very serious safety considerations punched a \$70 million hole in Devco's business plan due to lower revenues on the one hand and higher expenses on the other. It also raised questions in the minds of those employees who based upon our January announcements were expecting certain specific benefits at a certain time under the human resources package, all predicated upon Phalen being in operation about a year longer than that which has turned out to be the case.

I am pleased to confirm that we have successfully reprofiled the timing of some of the funding that we announced last January. We have also increased that funding by another \$70 million. This will allow us to sustain the corporation through the current fiscal year, that is to April 30, 2000, and to ensure the human resources benefits remain intact as originally expected.

We have of course received many representations calling for that original human resources package to be revised. On this point I do not want to raise any expectations because any room to manoeuvre on this point financially is very limited.

• (1220)

However, because of the new and unexpected situation created by the roof falls and consequently the early closure of Phalen, the human resources package is being assessed in the context of fairness among different groups of employees, relevant precedents, both those from the past and those that might be anticipated in the future, and overall fiscal responsibility. If any adjustments are made in the overall package, I would expect them to be relatively modest.

Returning explicitly to the privatization process and Bill C-11, it is important to note that the bill is not only required to complete any potential sale of assets. It is also an integral and key element in the whole privatization process. It sends a clear signal of serious intent. It will help to bring prospective buyers to the table and keep them there, leading hopefully to an early and successful conclusion.

Beyond providing the legally required sale authority, the bill creates no new ministerial powers and no delegated authorities. It maintains what is called the general advantage of Canada clause which will ensure that the Canada Labour Code will continue to apply, a point that is important to Devco's unions and employees. That is in the bill.

Also there are the usual provisions about the continuation of previously existing legal proceedings. For example, the United Mineworkers Union has initiated a grievance proceeding under subsection 17(4) of the existing Devco Act. While the new bill

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would eliminate that particular section, it would not affect the outstanding grievance because that grievance was started while the previous provision was in the law so the rights that existed under that particular provision are continued.

During our consultations the province, the Cape Breton community and Devco's workers asked that the proceeds from any sale of Devco's assets remain in Cape Breton. Subclause 2(2) of the new bill will ensure that happens.

Devco will also continue to be accountable to the government. The terms and conditions of any proposed sale of Devco's assets must be approved by the Government of Canada. After the sale the current Devco board of directors will remain in place to ensure that all other obligations are properly looked after.

The Financial Administration Act also ensures accountability with respect to how Devco uses the proceeds. It must as a crown corporation operate within an approved business plan, summaries of which are tabled in the House.

The changes I have outlined are contained in the first five clauses of Bill C-11. The consequential amendments that follow in the remainder of the bill remove various provisions that are no longer applicable or would no longer be necessary under the current act.

As I said at the outset, the bill we are discussing today is straightforward and simple. It is a bill that is as much about Cape Breton's economic future as it is about Devco's past. It is as much a beginning as it is an end. We are trying our very best to move forward along the best available path.

We all know that none of this is easy. The challenges that are to be faced are enormous, but by allowing a private sector operator to purchase Devco's mining assets we are taking a tangible step to try to maintain the maximum possible number of coal mining jobs in Cape Breton in a commercially viable context for the long term.

May I once again give my assurance to Devco, most especially the employees and their families but also the management and the board of directors, that the Government of Canada takes the issues surrounding the Devco situation very seriously. We wish to work in a very constructive way with all of those affected to try to arrive at the end of the day at the very best possible situation for all concerned. We must be most concerned about the future of Cape Breton.

• (1225)

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I am pleased to rise today in the House to speak to Bill C-11, an act to authorize the divestiture of the assets and to dissolve the Cape Breton Development Corporation, to amend the Cape Breton

Development Corporation Act and to make consequential amendments to other acts.

In short, the Reform Party intends to support the main thrust of the bill although we have some concerns and we will be introducing some amendments to address some of those concerns. However, in general terms we will support the sale of the assets of the Cape Breton Development Corporation.

We congratulate the government in finally getting around to addressing the problem that maritimers and other Canadians alike have witnessed for years and years. The Cape Breton Development Corporation was originally the baby of Prime Minister Lester B. Pearson, which gives one an idea of how far back the history of the whole matter goes.

Most people today refer to the Cape Breton Development Corporation as Devco. It was and still is a disastrous money pit for the taxpayers of Canada. As far back as 1957 it was recognized that the coal industry in Cape Breton simply would not be sufficiently viable to sustain the economy of Cape Breton on a long term basis. In 1966 the Donald report commissioned by the Government of Canada recommended the downsizing of the Cape Breton coal industry and chose 1980 as the target for production to cease.

In the same year Prime Minister Pearson and Nova Scotia Premier Robert Stanfield announced a \$55 million package to phase out coal mining in Cape Breton within 15 years. It would not have been easy for the miners or their families, but postponing the agenda from what was originally planned has certainly spawned a whole new generation of miners. Some of these miners will be losing their jobs at a relatively young age and will not qualify for pensions, which has prolonged the same problems expressed during the debates in the time of Mr. Pearson.

It was recognized that without diversification the long term effects on the economy that supports these same families would get increasingly and drastically worse. The economy would become dependent on a dying industry, which could then lead to dependency on government programs and subsidies. In 1966 such forecasts were only warnings of things to come. Thirty years later Devco has realized all of the predictions and the worst elements of the early earnings.

In 1967 Devco was formed as a federal crown corporation, and contrary to the 1966 plan much expansion took place in the next 20 years. However, the expansion came at a cost to taxpayers as much of the development was subsidized by the government, a pattern that would continue for many years to come.

In 1989 there was hope that the government would finally approach Devco in a manner that encouraged the company to remain productive on its own power and relieve Canadians of the tax burden of supporting the company. The \$30 million per year

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subsidy was to end in 1995 and after that point the company was expected to remain viable on its own.

Speaking of the development of Devco, on March 23, 1992, the Liberal member for Cape Breton—East Richmond, Mr. David Dingwall, stated that federally we conceived and implemented what was known as the Cape Breton Development Corporation to try to assist the diversification of the local economy and also in later years to try to provide alternatives to the use of coal in Cape Breton.

As the years passed it became more and more obvious that this simply would not happen. Like many other Liberal promises, this one too was little more than an empty election promise. The rhetoric seemed to have an end in sight with the 1989 announcement, yet like so many other government promises it never happened. Since 1996 a further \$150 million has been provided to sustain Devco.

• (1230)

In the last 33 years, Devco has experienced many shutdowns, failures to meet production targets and stunning financial losses, including some serious roof cave-ins in one of the mines. In August of this year, Devco's annual report showed that it had one of its worst years on record, suffering a \$299.7 million dollar loss.

Through the years, Devco has employed scores of hard-working, driven and responsible miners. It is certainly not their fault that Devco has proven to be such a disastrous example of a crown corporation. However, it is the miners and the Cape Breton community that are suffering from the abysmal lack of government action to ensure that the mine best serves those who support it and those that it supports.

In January 1999, it was announced that the government would take steps to privatize Devco, including two mines, an international pier, a railway, a coal wash plant and all surface operations. This announcement immediately raised howls of protest and despair from Cape Breton as mining is all many Cape Bretoners have ever known. Coal mining is to Cape Bretoners as oil and gas are to Albertans.

Remembering the effects of the cod moratorium in Newfoundland, Cape Bretoners are terrified that an entire industry, economy, lifestyle and culture are doomed to extinction. I sympathize with those concerns. I agree that all that is reasonable must be done to alleviate the difficulties that privatization will cause for the 1,100 miners and their families that are affected by this decision.

When one studies the long history of Devco, it becomes quite clear that Devco was primarily created for political purposes. From

the beginning, the corporation was rife with political patronage and nepotism and certainly did not operate as a viable commercial venture might have done. The reality is that due to the ineffective management of Devco by the federal and provincial governments over the years, Devco is not and never will be a viable crown corporation. It is simply sucking millions of dollars in subsidies every year. Since 1967, the government has provided over \$1.5 billion in subsidies. In all fairness, taxpayers cannot continue this kind of subsidization of Devco.

Bill C-11 starts the process of privatization by giving legislative authority for the sale of all, or substantially all, of Devco's assets. I am very pleased to see that there is an end in sight to the government's responsibility for Devco. The federal government should no more have been in the business of coal mining in Cape Breton than in the business of oil and gas in Alberta. These reserves of coal in Cape Breton and oil and gas in Alberta are under the exclusive jurisdiction and ownership of the provincial governments. The federal government should certainly not be interfering in those territories.

Yet what may not end is Canadian taxpayers losing out on the deal. As a crown corporation, all profits from the sale of company assets should return to public coffers. That is what should happen.

I am not convinced that that is what the government has in mind for this legislation. There are some very interesting holes in the bill that could be conveniently filled through more patronage and more Liberal back scratching.

For example, subclause 2(2) of the new bill calls for subsections 99(2) to 99(5) of the Financial Administration Act to not be applied to the disposal of Devco assets. I cannot help but wonder why it is that the FAA needs to be suspended for this sale to go through and, more important, what is going to replace those accountability controls that are provided for in the Financial Administration Act. The FAA ensures that a sale such as this happens in an open and accountable manner. If those restrictions are removed, what will control such issues as who gets the successful bid and did they pay a reasonable amount for the assets? Was the transaction made with best value for money interests? Will the money return to the public coffers?

Devco has historically been rife with patronage and nepotism. It is crucial that this last transaction be done properly, in an open, honest and accountable manner with the best interests of all Nova Scotians and all Canadians in mind, not just the Liberal interests.

• (1235)

Another concern I have is that currently only bidders and cabinet have access to the bidding process. No one else can get information

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about how much the assets are worth or, for that matter, what level of liability exists on those assets. How will we know if the final price is truly reflective of the value of the assets?

Not all of Devco's assets are no longer viable. The Donkin mine, the international pier and the railway system are all functional. After having invested millions of dollars over the past 30 years and, thanks to the government, never seeing any kind of economic return on this investment, I believe that Canadians at least deserve to know that Devco's death will not serve the same political purpose that its birth and life did.

Another concern of mine is that the government is proposing to entirely repeal section 17 of the original bill. This is the section under which the grievances have been filed and certainly around which most of the controversy exists. This section legislated that in the event of a mine shutdown or sale the government had to do everything in its power to mitigate the effects on miners and their families. Something must replace this protection for the workers and their families, but I cannot help but wonder why the government seeks to remove this clause. Is it concerned with ongoing lawsuits or does it just want to wash its hands of the entire mess regardless of the effects on Cape Breton?

Whatever the reasons, certainly it is reasonable for the unions, the miners and their families to expect the same kind of protection as long as some of the Devco empire still exists. If that protection was reasonable in the old act, it should continue to be reasonable in whatever replaces that old act until Devco and its assets no longer exist.

The Reform Party is very sensitive to the needs and fears of Devco families and certainly we do not want to cause them unnecessary hardship. However, the sale of Devco must take place if Nova Scotians are ever going to get out from under the control and dependency of the federal government.

Unfortunately there are a few complications that might make the sale difficult. For example, the accumulated liability of the company is estimated at around half a billion dollars. The majority of that liability comes from ongoing arbitration regarding workers compensation, severance payouts, as well as other workers' concerns as a result of section 17 of the old act. At least this element of the liability is known.

What is not known is what the environmental costs and liabilities may be in the future. Cleanup of the Devco site has been budgeted by Devco to cost \$110 million. However, as with most things where the government is involved, the price tag will no doubt actually be much higher than that. One only has to look at the history of the Sydney Steel mills and the Sydney Tar Ponds to see the potential environmental liability could be much higher.

The successful buyer of Devco might not have to pay the liability as part of the deal and likely no one would bid on the Devco assets

if that liability were to go with the assets of the company. Regardless of who buys the company, somebody will have to pay for the liability, whether it is the taxpayer or a private company. Inevitably it will be the federal government, which of course is the taxpayers of the country, that will be responsible for whatever the real liability of Devco will be.

As if past costs were not enough, the taxpayers will continue to be on the hook for many years to come. Bill C-11 addresses any future lawsuits against Devco and provides reassurances that regardless of the state of Devco the lawsuits will stand. However, instead of suing Devco, instead the government and therefore the taxpayers will pay the price. According to the bill, there is no finite end to this arrangement. Even though Devco may no longer exist, no doubt it will remain a fixture on the taxpayers chequebook for many years to come.

My sense is that Cape Bretoners and many maritimers are very concerned with what they see happening to their way of life. I do not blame them. It must be a terrible worry and a concern to see the industries and way of life that generations have come to know, appreciate and develop disappearing. I do not believe that the maritime economy and way of life needs to be put on the endangered list quite yet or that Atlantic Canadians need to depend on the largesse of the federal government in perpetuity.

• (1240)

The Reform Party is sympathetic to the concerns of maritimers and we believe that Atlantic Canadians are poised to take advantage of a rising economic tide. Rather than being caught in a whirlpool of discredited, backward-looking Liberal economic development policies that only pull maritimers down, Atlantic Canadians are looking toward a wave of economic and social progress based on new ideas and new politics.

This new direction represents the foundation of a new growth strategy for Atlantic Canada, a strategy that offers tax relief to the many instead of subsidies to the few. It includes new ways that are free of Liberal patronage and corruption to attract private as well as public capital to rebuild the east coast infrastructure, from ports, to airports, to short line railways, to shipyards, to highways both traditional and electronic.

It includes rebuilding the old trade routes to New England and across the Atlantic to Europe which free trade is now reopening. It includes getting the financial houses of the Atlantic provincial governments in order by throwing out patronage infected spend and tax regimes and replacing them with a government committed to controlling spending, balanced budgets, lowering taxes and paying down debt. It promotes the attractiveness of the east coast as a place in which to live and to raise families in combination with

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excellent education institutions as the foundation of the knowledge based industries of the 21st century.

I have been to the east coast many times and I have family there. My son lives in Nova Scotia and has for many years. My colleague, the hon. member for Okanagan—Shuswap, visited the Devco operation a number of times, went down in the mines and spent a lot of time with the unions that were involved in Devco and the shutdown. Therefore we do have some familiarity with the issues around Devco and around the economy of Cape Breton and Nova Scotia.

I have always said that if I was to choose a place to live in Canada, other than my native Alberta, it certainly would be the province of Nova Scotia. Its majestic beauty, its welcoming people and the resilient spirit of its citizens are characteristics of Atlantic Canada and certainly Nova Scotia. It is truly amazing that maritimers have managed to maintain their pride and dignity through years and years of Liberal and Conservative patronage and policies that give birth to that kind of government intervention.

The Reform Party believes that the efforts of Atlantic Canadians, not bureaucrats or politicians from the federal government, can and will revive the Atlantic economy.

This bill is a starting place to begin giving over control of the economy to Atlantic Canadians and away from the Liberal government's greedy hold on an enterprise that was never meant to be profitable. If it had been economical, Nova Scotians would have developed the project successfully. From the beginning, it was simply an exercise for the Liberals to win votes; votes won at the cost of the well-being and economic stability of an entire community. So much for responsible government.

On March 23, 1992 the Liberal member for Cape Breton—East Richmond, Mr. Dingwall, argued against the privatization of Devco. I think the following quote gives some idea of the mentality of Liberal thinking in that part of Canada. He said:

—to privatize Devco, to give it to his friends—that kind of (an) individual to come in and be the sole operator of a coal mine, to strip it down to sell off its best parts and make a million dollars or more and then walk away from it in five years, is privatization which I would never support.

Perhaps the Liberals have changed their definition of privatization since then, but in my mind it is exactly the kind of action that the Liberal member described that we are facing without stricter controls in the legislation.

I cannot support the bill as it exists now because although I agree that Devco must be privatized, it must happen responsibly with open, honest and accountable procedures. Until changes are made to the bill to ensure an accountable process, I cannot support the bill and I urge other members of the House to do the same.

• (1245)

[*Translation*]

Mr. Serge Cardin (Sherbrooke, BQ): Mr. Speaker, thank you for permitting me to speak in the debate on Bill C-11.

The bill, whose short title is the Cape Breton Development Corporation Divestiture Authorization and Dissolution Act, is intended essentially to end the federal government's involvement in the Cape Breton coal mines.

I would point out initially that the first section of the bill concerns the Cape Breton Development Corporation Act of 1967 and provides for the repeal of certain outdated provisions. For instance, the word chairperson is now used instead of chairman and the number of directors has been changed.

The second section concerns the mission and assets of the corporation. The changes will make the mission of the corporation essentially commercial, since it no longer has to reorganize and rehabilitate the coal division as initially provided in the act.

The third section concerns financial provisions and sets out the procedure for authorizing advances to provide working capital. It will be interesting to take a longer look at clause 19. Does it mean that the government intends to fund the new corporation before it is privatized? The workers pensions and rights acquired over the years also warrant very close consideration. That is what we intend to do this in committee.

Because, under the Financial Administration Act, legislation is required to authorize the federal government to sell part of the assets, the House is now considering Bill C-11, which will authorize the federal government to divest itself of its assets in the Cape Breton Development Corporation.

It should be pointed out that the main provinces involved in the coal mining industry are Nova Scotia, Alberta and British Columbia. Many people feel western coal is of higher quality. Coal is essentially an export commodity, as less and less of it is in use in our generating stations, since natural gas is less harmful to the environment and therefore used more.

The corporation employs close to 1,700 miners, so this will throw some 1,000 people out of work in a region where the unemployment rate is already at a worrisome level, of close to 25%.

At the same time, the minister is announcing \$110 million in assistance to be used for severance pay and early retirement programs for the miners, as well as \$68 million for economic development in the region. The Government of Nova Scotia has recently announced that it would be investing \$12 million in the long term economic development of Cape Breton.

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Devco was established in 1967 by the Cape Breton Development Act. Its assets include the Prince and Phalen mines, the Donkin mine site, the corporation wharf and rail line, its coal processing plant and the related infrastructures.

Federal government participation in Cape Breton coal mining dates back to 1967. In the mid-sixties, the owner at the time, Dominion Steel and Coal (DOSCO) announced its intention to close down operations. The federal government decided to create Devco to operate the mines, with the plan to withdraw gradually and to ensure the economic diversification of the region. This participation, meant to be temporary, continued until this past January.

A little over 30 years and some \$1.6 billion later in the life of Devco the crown corporation responsible for managing these mines, the federal government withdrew, while ensuring that it would maintain its jurisdiction over labour relations, occupational health and safety, and labour standards.

• (1250)

Let there be no mistake—the government is withdrawing and mines are closing down. However, one of them must continue to operate and the government is hoping to be able to privatize it. This is why the bill refers to the continuation of the existing jurisdictional regimes in the areas I mentioned earlier.

To date, the office of the Minister of Natural Resources have not been crowded with buyers. Coal is not an emerging market. The reverse in fact is true. All that time and money spent persuading Cape Bretoners that their economy could be based on coal mining alone. The government knew that it should diversify the economy but, rather than doing the responsible, but difficult, thing, the Liberals of the day decided to pass on the problem to their successors.

Bloc Quebecois members were elected to promote and defend the interests of Quebecers. Whether those interests involve employment insurance, restructuring of the airline industry, or opposition to Bill C-6 or the young offenders legislation, the Bloc Quebecois has always devoted its energies to promoting and defending the interests of Quebecers.

This is why the voters have placed their trust in us, and it is what guides us in the House. We must be vigilant when it comes to bills that do not concern Quebec directly, because what the federal government is doing could have repercussions for Quebec. The bill before us is a good example.

In many areas, the federal government is behaving like a unitary government, with little regard for the provinces, and even less for Quebec. A few examples will suffice if anyone is still in any doubt: the millennium scholarships being imposed by the government on Quebec, despite the fact that Quebec has an excellent loans and

scholarships program based on students' needs; Bill C-6 on personal information protection in the context of e-commerce, which the Minister of Industry has introduced without prior consultation, although Quebec already has personal information protection legislation that has received international acclaim.

The list is long, and every day we try to add examples to prove to Quebecers that there is a level of government in our territory that is not doing the job given it by the Constitution. In fact, that level of government is doing too much.

It is the federal government that is doing too much. Perhaps it is because the Constitution Act gives it too much power. The federal government uses all sorts of provisions in the Constitution Act to impose its jurisdiction in areas that are under provincial jurisdiction. Members not supporting this approach, such as the Bloc Quebecois, must criticize it. Only infrequently do we see our neighbours opposite rise to criticize the centralizing aims of the party in power. Some, exceedingly rarely, display courage, such as the member for Lac-Saint-Louis, in expressing his opposition to the restructuring of the airline industry.

I referred earlier to the Constitution Act, which has a new section on natural resources, section 92A. The section reads as follows:

- (1) In each province, the legislature may exclusively make laws in relation to
 - (a) exploration for non-renewable natural resources in the province;
 - (b) development, conservation and management of non-renewable resources natural resources and forestry resources in the province, including laws in relation to the rate of primary production therefrom; and
 - (c) development, conservation and management of sites and facilities in the province for the generation and production of electrical energy.

This provision dates from before Devco's establishment. It must not be assumed that it is federal jurisdiction. Reference must be made to subsection 92(10), which sets out that local works and undertakings are under provincial jurisdiction.

Accordingly, the federal government declared the Cape Breton mines to be a work of general advantage to Canada in order to establish its jurisdiction and ensure the application of federal legislation in such areas as labour and occupational health and safety.

• (1255)

This way of going about things, also known as declaratory power, allows the federal government to interfere unilaterally in the division of powers. Brun and Tremblay define it as follows:

—it is the right given to the Parliament of Canada by sections 91(29) and 92(10)(c) of the Constitution Act, 1867, to extend its exclusive jurisdiction to local works, by declaring them to be for the general advantage of Canada or of two or more provinces. The works that are the subject of such unilateral declaration no longer

come under provincial jurisdiction. The courts refuse to rule on the appropriateness of recourse to this power; in fact, the federal government has used it on close to 500 occasions in connection with a wide variety of infrastructures, including railways, telephones, and dams.

The federal government thus interferes in provincial jurisdictions in all sorts of ways. In some cases, it cites its spending authority, and in others it uses its declaratory power.

For the government to have taken this approach in 1967 is one thing, but for it now to decide to get out of the mines but hang on to its jurisdiction using clause 5 of the bill is unacceptable.

For the information of those listening, I will read clause 5

The works and undertakings operated or carried on by the Corporation on or after June 15, 1967 are declared to be works for the general advantage of Canada.

It is this clause in particular that we have a problem with.

In the 1990s, the federal government slashed provincial transfer payments in order to balance the budget. In a federal system with centralizing tendencies, these cuts were just one more step on the road to concentrating power in the hands of the federal government.

With the present surpluses, is the federal government getting ready to “buy” jurisdiction? There is cause for concern and this is why we think Bill C-11 poses a threat.

The Bloc Québécois will oppose Bill C-11 primarily because of clause 5, which gives the federal government jurisdiction over what we feel is a provincial matter.

As well, we feel it is important to raise certain points relating to the situation in Cape Breton. It is not so much the federal withdrawal from the coal industry that bothers us as the resulting outcome, unfortunately in large part its own doing. We do not need to draw any pictures, the Liberal government’s policies on regional economic diversification are well known.

Suffice it to say that it has not always made the wisest of choices. As long ago as the late 1960s, a commission on the future of the industry of Cape Breton indicated that coal production would have to be phased out and the local economy truly diversified. Federal investments have not worked out and by focussing solely on this one industry, the government encouraged hundreds of young people to follow their fathers into the mines.

Thirty years later, when many miners had not worked long enough to have a decent pension, the coal industry is in a total decline. It is, moreover, important to point out that, although there are some 1,700 employees of Devco, the futures of 6,000 individuals and families whose living comes from coal mining are at stake.

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In conclusion, the Bloc Québécois is opposed to this bill as it stands. The main reason for our opposition relates to the maintenance of federal jurisdiction. I would also point out that this whole mess, which dates back to 1967 and that the federal government should have tried to remedy by diversifying the economy of Cape Breton, affects the workers and their families.

• (1300)

The reclassification manoeuvres under way will make it possible for heads of families to be bumped from their jobs. We will therefore be making an effort to get answers from the minister on retirement conditions and on how Devco’s assets will be privatized.

I am anxious to see the bill go before the natural resources committee so that we will get some answers.

[*English*]

Mrs. Michelle Dockrill (Bras d’Or—Cape Breton, NDP): Mr. Speaker, once again I stand in the House to oppose the slow and calculated government plan to abandon the people of Cape Breton by shutting down the livelihood of so many in the mainstay of the Cape Breton economy.

My colleagues in the government would have us believe that Bill C-11, the privatization of Devco, is a step that we all agree to. The miners who are out of work because of the government’s actions do not agree with the government. The spouses who have to worry with their partners about how they are going to pay this month’s bills do not agree. The people of Cape Breton do not agree with the government. I and my fellow NDP colleagues certainly do not agree with the government.

We are sick and tired of the Liberals’ policies that benefit only themselves and their friends. The people of Cape Breton did not elect Liberals in the previous election because they were tired of not being listened to. This is their future that the government is playing with and we are not going to play its game.

The Liberals have mismanaged Devco since they first got into the coal industry 30 years ago. Only the Liberals could be in the same position of trying to close an industry 30 years after they started the job.

During those 30 years of managed mismanagement the people of Cape Breton were told that their was a future in coal. New exploration went ahead and coal was once again, as it had been so many times in the past, an important industry for all Canadians.

Cape Bretoners faced long term decisions on the government’s initiatives. In a cold and calculated manner, the government has changed its mind and is ready to disregard coal while sacrificing the people of Cape Breton with little more than an afterthought.

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Where is the respect that the people of Cape Breton deserve after sending generations of men down in the mines to bring coal to the surface to benefit all Canadians? Where is the respect these same men deserve for putting their lives and their health at stake, a sacrifice that has helped Canada be what it is today?

The government does not respect the hard work and sacrifice that generations of Cape Bretoners have put in. It is getting out of the coal industry as fast as possible, with a total disregard for the economic, social and cultural ramifications that will result from its decision. Cape Bretoners have been made economic refugees at the hands of the Liberal government.

May I remind everybody in the House that this is just not some accidental series of events or that Cape Bretoners have bad luck. Instead of working on a long term solution in co-operation with the workers, communities and labour representatives, the government developed a secret plan to destroy Devco and the communities of Cape Breton, a plan that the minister continues to deny today. The government has followed this plan right to the letter, an extremely efficient move after 30 years of managed mismanagement. It is so efficient that we might say it is ruthless. It has certainly been well planned.

The government embarked on the road to get to this day nearly four years ago when it commissioned Nesbitt Burns to create a secret plan for the dismantling of Devco and destruction of Cape Breton. It was a time when we had three representatives in the House of Commons with the Liberal government and 10 MLA ministers represented in the provincial legislature.

In order to justify this plan, the government also had to prove that Devco was not commercially viable. So the government went ahead and did just that. It purposely set out to destroy the work of generations of miners by instituting policies that would ensure that Devco looked like a liability on the government's balance sheets.

The bill we are debating today, Bill C-11, will allow the government to get away with its attempt to ignore and discard the people of Cape Breton. Section 17 legally binds the government to respect them and the government is trying to get rid of that. The government is trying to abandon its responsibilities.

• (1305)

In 1967 when Devco was created, the government made a commitment to create economic development and even made it its legal obligation with respect to creating opportunities for Cape Bretoners. Yes, money has been sent to the island of Cape Breton over the years. But let us be clear, most of it has gone to line the pockets of Liberal supporters or for the current government scheme to make Devco not commercially viable. Now, 30 years later, the

government still has not created sustainable economic development or opportunities for Cape Breton, and it is preparing to jump ship.

Cape Breton Island has an unemployment rate which is nearly double the national average and the government has created the condition to cut even more jobs. We all remember that the election slogan of the government in 1997 was jobs, jobs, jobs, which is obviously as valuable as its promise to cut the GST.

The so-called children's agenda in the throne speech supposedly shows the Liberal government's commitment to improve the quality of life for all children. Obviously it did not mean the children of Cape Breton miners and others who depend on mining in the area. It did not mean the adult children of miners who will have to take out even bigger student loans to get an education or who will have to delay their education. The Liberals obviously were not talking about the youth who are leaving Cape Breton in alarming numbers, because after 30 years of a supposed government commitment to the communities of Cape Breton there are still no jobs and even fewer opportunities.

The government has followed its plan, developed within cabinet, to the letter. The secret plan was developed without the input of the workers, the communities and those who will be most affected by these decisions. After it has raped the land and ignored the people, it now expects us to believe that this Liberal road show which it calls an economic adjustment panel represents some kind of sincere commitment. The government has never made a sincere commitment to Cape Bretoners in 30 years, and this panel is no exception. Cape Bretoners will not be fooled by this smoke and mirrors, because we have lived with smoke and mirrors from the Liberal government and we can see through its facade.

Instead of beginning community consultation immediately after the Liberals made the announcement in January that killed over a thousand jobs and spelled disaster for the people in the economy of Cape Breton, instead of beginning consultation then, the Liberals waited almost 10 months. It was 10 months of speculation and anxiety for the people whose jobs were killed and who do not know where the money to pay their bills will come from.

The government has appointed a panel of Liberal supporters that clearly does not reflect the diversity of the community. How are a Liberal Senator, two businessmen from P.E.I. and a bunch of Liberal supporters supposed to know what the miners, community leaders, aboriginal leaders and the unemployed people need? The sad truth is that nobody on the island believes the panel can know what the communities need.

This rushed series of five minute presentations by various community stakeholders will not be enough to come up with a plan

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that will finally bring long term sustainability to the island of Cape Breton. The government already knows that. The government is only going through the motions of consulting the community. This is all part of its plan. The government has already outlined what areas it thinks Cape Bretoners should work on. The Liberals have already created a made in Ottawa solution for a made in Ottawa problem and the price will be paid in Cape Breton.

This attempt at consultation is just as much of a joke as the government's other attempts to live up to its responsibilities under section 17 of the Devco act. The adjustment strategy is a joke. The consultation process is a joke. The punch line, which will hit the citizens of Cape Breton straight in the stomach, is that once the government pushes Bill C-11 through the House, it will no longer be obligated to help clean up the mess that its 30 years of mismanagement of Devco have created.

Once again I and my colleagues must protest the government's plan to abandon its legal responsibility to the people of Cape Breton. The government is legally obligated under section 17 of the Devco act to ensure that all reasonable measures are taken to reduce unemployment and/or economic hardship that will be the result of the Liberal government's action in shutting down and privatizing the Devco assets.

• (1310)

The government would like us to stand by and allow it to pass Bill C-11 which would allow it to abandon Cape Breton. My NDP caucus colleagues and I will not support the government, nor will we support this bill.

Devco has been run for 30 years without the problems that required its existence in the first place ever being resolved. Again I ask what the government's rush is to get rid of Devco and its obligations to the people of Cape Breton. The government needs to spend more time ensuring that it fulfils its obligations instead of running around in circles trying to get away from them. If the government does not make the time and put the effort in now, the problems that already exist in Cape Breton will only increase and become more difficult to address. I am here to demand that the government make the time for the people of Cape Breton.

I move:

That the motion be amended by deleting all the words after the word "That" and substituting the following therefor:

"Bill C-11, an act to authorize the divestiture of the assets of, and to dissolve, the Cape Breton Development Corporation, to amend the Cape Breton Development Corporation Act and to make consequential amendments to other acts, be not now read a second time but that the Order be discharged, the bill withdrawn and the subject matter referred to the Standing Committee on Natural Resources and Government Operations".

The Deputy Speaker: The amendment is in order. Questions and comments.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I listened intently to the member for Bras d'Or—Cape Breton and her description of the concerns of the people of Cape Breton.

I too have taken some interest in this issue. I have talked to United Families and other organizations that have come before us. I share her concerns and those of the member for Sydney—Victoria about the livelihoods of some of the miners who may have to change their vocations.

I listened to the member speak and she never used the word "future" in her discussions. She talked about the last 30 years. Just by the act of moving her amendment, she seems to want the last 30 years to continue.

The reality is that the industry of Cape Breton has changed and we have to get on with change. People throughout the country are faced with various types of change. The world is changing in some profound ways. Globalization is before us.

There are some very great institutions down in Cape Breton. There is Cape Breton Business College. Some new industries are starting up. Let us talk about taking some of this money to create something for the future. We could have a community based organization going out and asking the people how they would like to restructure their communities and how to make Cape Breton a viable economic engine of the future.

Today geography does not matter. People do not have to live in Toronto to be successful in business. They can use the Internet, the information highway.

• (1315)

We listened to members of the NDP that are constantly hearken-ing back to the past, to keep things the way they are and to keep government intervention in our industries. This is part of the problem people are suffering from today.

Why can the member not use the word future and think about the future of our people rather than hearken back and keep the past locked in place?

Mrs. Michelle Dockrill: Mr. Speaker, with respect to the future I only have to say to the member that if it were not for the strong will of all people on Cape Breton Island we would not have been able to have any future in the last 30 years.

The member must recognize what is happening on Cape Breton Island. I am not talking about the inability of Cape Bretoners to survive. God knows. We have survived over the course of the last 30 years with absolutely no assistance from the government, although the minister and government members would like people in central Canada to believe so.

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Nobody has ever questioned the amount of money that has come to Cape Breton Island, but the reality of it is that it has gone into the hands of a few. I am not talking about no future. I know there will be a future on Cape Breton Island because unlike the government I believe in the people of the island. We are talking about a transition. We are talking about a cold and calculated plan on an island that has been suffering a right wing agenda for the last 10 years.

In 1993 Cape Breton had approximately \$1.2 billion circulating in the economy, but as we know the federal government cut transfers by 35% and interestingly enough the money circulating in Cape Breton lessened by 35%. Then came the collapse of the fishery. It is absolutely clear now who was responsible for that. The federal government came in with changes to EI in 1996, which took another \$100 million out of our economy. The minister now stands and says that he will take the federal government out of the coal industry, which will mean another \$300 million out of an economy that is already in crisis, and we are supposed to be happy.

The economic analysis that has been done with respect to this decision of the federal government puts the dollar figure at \$1.5 billion. I will never be willing to accept a \$68 million cheque dressed up how the minister wants to dress it up for a \$1.5 billion problem.

I do not doubt that we will have a future, but we need some serious commitment on behalf of the government. During the course of the last 2.5 years the government's actions speak a lot louder than its words.

Mr. Peter Mancini (Sydney—Victoria, NDP): Mr. Speaker, I will just make a comment and perhaps the hon. member could comment on it. We have heard a fair amount of discussion about how Devco was set up some 30 years ago with a mandate to get out of the coal industry by 1980. I think that is what my colleague in the Reform Party talked about.

What is not mentioned, and I think my colleague will agree with me, is that in the 1970s when the OPEC oil crisis happened and the country was facing a desperate situation because of the price of imported oil, the Government of Canada turned its eyes to the coal industry in Cape Breton looking for help. That plea for help across the country was answered by the generation of coal miners who today will find themselves out of work. They are my age and the age of many of the members of the House. They were promised a future serving Canada in the coal industry, and today they find themselves in real desperation. What are the member's thoughts on that point?

Mrs. Michelle Dockrill: Mr. Speaker, I agree with what my colleague has mentioned with respect to the country turning to the miners and their families on Cape Breton Island.

There is an important piece of information which the government does not want a lot of Canadians to understand, more importantly central Canadians. It talks about the fact that Devco tried and that it was so committed to the people of Cape Breton it did everything humanely possible to make sure that the corporation became viable. There are some on this side of the House who clearly disagree with its definition of commitment.

• (1320)

It is important to note that when the government talks about the investment sometimes it has referred to it as the big black hole. Yes, it has invested approximately \$1.65 billion in the industry, but it is important to note that \$6 billion was generated. I am not an accountant, but I think that is not a bad return on an investment.

The reality of the situation, as I said in my speech, is that four years ago the government decided to get out. It charted a course. The legislation was very clear. The government could not exit an industry that was commercially viable. In order for the government to exit the industry, it had to set the wheels in motion to ensure that the industry was not commercially viable.

Two years ago I stood in the House and questioned the minister about whether or not there was a plan to privatize the coal industry. He stood in the House and told me no. Is that commitment? Is that honesty? Is that integrity? People on Cape Breton Island do not think so.

Mr. Dennis J. Mills (Broadview—Greenwood, Lib.): Mr. Speaker, if we had a blank cheque sitting here today, or if we had direct access to the treasury, what are some of the constructive thoughts and initiatives the member thinks the House should explore on behalf of her constituents? I ask her to give us some ideas on how we could make things better.

Mrs. Michelle Dockrill: Mr. Speaker, one of the things that is really important not to do is what the federal government did with respect to its human resource development package. What it did with that package, just to inform the member, was pit family member against family member. That is what the government has done. It has pitted family member against family member.

The minister does not want to hear this point. The minister does not want to hear the reality of a man who has worked for 30 years and at the age of 45 years will not get a pension because of the government. The minister does not want to hear that. The minister does not want to recognize that there are brothers putting other brothers out of work. That is the reality.

Mr. Dennis J. Mills: Mr. Speaker, I rise on a point of order. I asked a very direct and humble question of the member on what some of her specific, constructive ideas would be, and I would ask her to answer.

The Deputy Speaker: The member has a supplementary question but I do not think he has a point of order.

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Mrs. Michelle Dockrill: Mr. Speaker, the member asked for suggestions. One of my suggestions, as I just stated, was clearly not to pit family member against family member in this package. That is very clear. I expect the government to treat everyone equitably.

I have a real hard time when I listen to the minister and his so-called sincere efforts. One thing Cape Bretoners said very clearly in 1997 was that any initiatives regarding Cape Breton must have the best interest of all Cape Bretoners at heart, and not just a few friends of the Liberal government.

When the base was closed in Summerside, what did the government do? It threw in the GST offices. It already has—

The Deputy Speaker: The hon. member for Pictou—Antigonish—Guysborough.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I am pleased to take part in the debate on Bill C-11, a very important and timely bill not only for the island of Cape Breton but for all Nova Scotia and the east coast.

It is an act to authorize the divestiture of the assets of, and to dissolve, the Cape Breton Development Corporation, to amend the Cape Breton Development Corporation Act and to make consequential amendments to other acts.

I am also pleased to acknowledge the presence of the minister in the House. He has taken part in this debate and travelled to Cape Breton. I commend him for that effort.

I am speaking on behalf of my colleague from South Shore who is unable to be here. Normally the bill would have carriage under his critic's portfolio.

• (1325)

I welcome the opportunity to address the important issues which are brought to bear by the bill. One is certainly the fact that it will have a very dramatic impact on the lives of many people living in Cape Breton, Nova Scotia. The bill in essence will put a great number of people out of work and affect many families, small businesses and communities, particularly those around the Phalen and Prince mines. The potential sale, pensions, resource management and long term impact of the Devco divestiture are what the bill is about.

I would like to begin by giving a bit of historical background about the legislation and the road that has led to the closure of the Cape Breton Development Corporation, or what is commonly referred to as Devco. It began in 1967, but a coal mining company started much earlier than 1967. It goes back in its historical roots as far as 1720 and the first coal mine ever opened in North America.

Coal mining flourished until the end of the second world war, at which time the demand fell dramatically and Devco's predecessor,

the Dominion Steel Coal Company, Dosco, was hard pressed to continue its operations.

In 1965 the situation was at a point where Dosco announced that it would have to close the Cape Breton mines and its 6,500 employees would be out of work completely. This is where the Liberal government of the day stepped in and announced that it would take over the operation of the mines and established the crown corporation known as Devco.

Coal production had dropped to the point where in Canada only 11% of the coal market existed, down from 60% in earlier years when coal was in much greater demand.

As we know the world events in the early 1970s changed the way we looked at energy in the coal industry as a whole. A remarkable turnaround took place during that time. I am referring to OPEC, the Organization of Petroleum Exporting Countries, and the situation within the oil crisis of 1970 that saw oil prices rise dramatically, settling at \$10 a barrel following the initial surge or the equivalent of \$35 in today's standards.

Countries were searching for alternative fuel sources and they found that coal was economical and available. Devco suddenly had a hot commodity and the crown corporation prospered for a period of time. New mines were opened in 1974. The Lingan mine followed in 1976 and then the Prince mine.

The second oil crisis in the late 1970s continued to provide economic prosperity for those in the coal mining industry. By 1984 the price of coal was at \$52 a tonne, more than six times what it was in 1967 when Devco began operations.

The Phalen mine opened in 1987 and the development of the Donkin mine was begun, representing what was supposed to be the largest underground mine in North America. Devco signed a 33 year contract to supply the Nova Scotia Power Corporation with coal. The industry seemed to be sustainable and prosperous.

The importance of this prosperity in the coal mining industry has a dramatic impact on the legislation we are debating today. It was the federal government through Devco, and encouraged by the high prices of coal and the availability of coal in Cape Breton, that promoted coal mining as a viable way of life for Cape Bretoners, particularly young men entering the job market.

A strong tradition had existed in that part of the world for many years. The young men whose fathers and grandfathers had worked in the coal mines were told that the coal mining industry had a 20 to 45 year future expectation. That is why, simply put, young people turned down other job opportunities or stopped searching for work and began work in the coal mines. It was a job that allowed them to stay in Cape Breton and to work in mines like many of their family members had before them.

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We are telling some of those same people today that the government was wrong, the jobs no longer exist and they have to pack it in. What is the government doing? How does it respond? The government is offering an \$11 million support package and it calls for an economic development package to encourage new projects in this area. This is not a new approach. This approach has been taken before by previous administrations.

The support package will include early retirement incentives, enhanced severance packages and training allowances. I heard the minister refer to some figures, one being that \$1.6 billion was put into Devco over the years to keep that industry afloat and \$500 million for economic development. It goes without saying that this has not been the answer, sadly.

The \$68 million economic development package put forth here is meant to promote sustainable long term economic development for Cape Breton and to diversify the economy. However, one again has to look at the record and question how successful it will be.

• (1330)

They are laudable objectives, but the government is essentially going to be taking away \$300 million from the coal mining industry and the Cape Breton economy and replacing it with \$68 million, and that will be over a long period of time. Furthermore, the government has tried this approach. Since 1967 there have been a number of projects and investments made to help the Cape Breton economy, but few have been successful. A massive amount of money being injected into the economy in a reckless way has not worked.

Most Cape Bretoners realize that Devco cannot continue operating as it has been over the past few years. The Conservative Party supports the divestiture of this crown corporation. However, the way the government is doing it is another matter. The package itself, I would suggest, is flawed.

I asked the minister about this and I hope we will get an opportunity to speak about this further. How can the government explain that mine workers who have spent 20 to 25 years, and in some cases longer, working in a coal mine will not qualify for pensions? Why is something not being done to address this?

Cape Bretoners would also like to know if there were other crown corporations which faced similar problems when they were divested.

A fair question was asked by somebody who worked in a coal mine for many years. He wanted to know why someone who has worked for 12 years in a coal mine would qualify for a pension, while someone who has been in the mines for as long as 20 to 25 years would not. There has to be a more equitable approach.

These are the types of anomalies and inconsistencies that frustrate the workers and undermine the government's legitimate and sincere approach to this problem.

Compounding the problem is the fact that there are serious health problems and issues that have to be addressed. Many coal miners face very difficult health problems. Black lung disease is an incurable disease that affects many coal miners. On top of that, Cape Breton as a whole has one of the highest cancer rates in the entire country.

To get back to the more immediate implications, without jobs 1,200 miners and their families who work in this industry will be affected immediately by the closure of the Phalen and Prince mines and will be unable to access the necessary health programs.

United Families representing the families of the mine workers in Cape Breton travelled to Ottawa to highlight some of these concerns and to ask the government to reconsider the package itself. They were not asking simply that the mines be kept open. Rather, they wanted some assurances that their pension plans would be fair, that their health programs would be protected and that the government would look at all available options.

We also heard from other groups, such as Northside Future and the United Steelworkers of America, on their recommendations for Devco.

There are other options available that would enhance the sale of the Phalen mine and increase the opportunities of finding a willing buyer. The Donkin coal reserve is a good example. It is believed that the Donkin mine contains approximately 1.5 billion tonnes of coal, according to a report dated 1997. There is an obvious potential for mining operations and employment, yet the government has done little to encourage the divestiture of separate parts of the coal mine industry. Instead, it is all or nothing. This is the approach that has been put forward. All of these mines or nothing.

We know that there are other options. Men like Tom Macpherson of Sydney, as we speak, are working on a proposal to salvage an industry and to look for some other means of keeping a hand in the industry.

We know that Devco should be divested and the Conservative Party supports the initiative, but we question how well the people of Cape Breton, particularly miners themselves, are being served by the government's approach in this bill.

The government's approach in Nova Scotia has been to ignore things. It was only after the loss of all 11 seats in Nova Scotia that it perhaps rethought that strategy. We know it has a new plan and a new senator who is going to be carrying the flag and trying to raise the fortunes of the Liberal Party in Nova Scotia. It makes one

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question if the Senate of Canada is now the minor league for the House of Commons because he has told us he is going to run.

The unemployment rate in Cape Breton has been around 20% for the last 15 years. Cape Bretoners are known as hard workers and they have certainly known hard times. Devco management has publicly acknowledged on many occasions that the extra efforts of the miners were what allowed the mine to meet its production schedules.

It is interesting to note how the Reform Party referred to this, and I take the hon. member of the Reform Party at his word when he says he has a great deal of affection for the province of Nova Scotia. However, to my recollection the Reform Party did not even run candidates in Cape Breton in the last election. One has to take a closer look at that.

• (1335)

That is not to say that the exercise of propping up Devco by any means has not been a financial disaster. We know that the people of Cape Breton are watching this situation very closely. They have been referred to on occasion as a financial burden and as being dependent on the rest of the country. That is not something which anyone takes pride in.

Cape Bretoners are willing to work hard and willing to work in the coal mining industry, but that option is apparently being taken away from them. Now the government has to look for other options of employment for coal mine workers, including remedial work that would have to be done around the clean-up of the mine sites. The Prince mine itself is waiting for a buyer. That may offer some employment possibilities, but it does not have the production capabilities to meet the requirements of the Nova Scotia Power Corporation. There has to be some recognition that if coal mining is to continue it is going to have to be done in such a way that it can at the very least meet the requirements of the Nova Scotia Power Corporation.

All of this has to be done in a carefully scrutinized way, open and transparent. These are words that we often hear from the government, but again one questions its sincerity.

The sale of the Prince mine in Cape Breton and the possible development of the Donkin site could provide employment opportunities.

There is time now before us to address some of the faults in the legislation. Members of the Conservative Party we will be looking forward to getting this particular bill to the committee where it can be looked at in greater detail.

I know the minister has been following the situation quite carefully. I sincerely hope that the government will be open to

some of the constructive changes that might be put forward by other parties. This part of Nova Scotia has been devastated in years past and in fact the province itself has a crippling debt that it has to deal with. The Atlantic provinces have certainly seen their share of hard times in recent years.

With the start of the new century one would hope that the Atlantic provinces and in particular the island of Cape Breton and the province of Nova Scotia will be able to benefit from some of these future possibilities: Sable gas, the resurgence of some elements of our fishing industry, the use of other natural resources and entry into the high tech industry. One would hope that the government will encourage this type of future prosperity and future development.

There are ways of doing that which have been demonstrated by other governments. I am referring to the province of Prince Edward Island when a decision was made to close down armed forces bases on that island. The government of the day, which was a Conservative government, immediately responded by putting a government office, a GST processing office, in that area of Prince Edward Island. I would suggest that type of approach. If we are going to be taking a major industry, a major employer, out of the economy of Cape Breton, the government should be prepared to look for ways to inject future opportunities in that part of the country.

I thank the House for its indulgence and the opportunity to speak to the bill and I look forward to future participation in the legislation.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I was in Cape Breton and I heard a gentleman who runs an automotive supply company which operates around the world. He was asked if his employees were competitive. His answer was that they were the best productive workers in the world. I know that the people of Cape Breton have the resilience and the ability to deal with this matter and they have the resilience and the ability to change.

It is sad that the opposition party does not like the idea of change and wants to keep things pretty much the way they are.

The member spoke about the process, which he did not really like. He thought that rather than have a complete divestiture, the government should allow people to pick and choose what parts of this enterprise they would like. I find that to be absurd. It is sort of like someone picking over a dead carcass; we are going to take the good stuff, but we are going to leave the bad. A process like that usually ends up in higher unemployment. We need a harmonious holistic approach for someone, a company or a joint venture, to take over this industry in Cape Breton and to run it as an ongoing concern, rather than breaking up the pieces, throwing away the ones that are not liked, throwing away the workers who are not liked and just keeping the good ones.

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• (1340)

Why would the member promote such a policy in Cape Breton, where obviously one of the major concerns is employment? We want to keep as many people employed as possible. Why would the member want to propose a system which would allow people to pick over this carcass and throw people out of work?

Mr. Peter MacKay: Mr. Speaker, I appreciate the question. I certainly agree with the reference to Cape Breton people being productive.

I think the member has perhaps misunderstood the premise of some of my remarks when he suggests that I do not recognize the future potential in Cape Breton and the need to reach out and look for other solutions. I am not going to stand here, as I would suggest no member of the House should do, and say that this is going to be an easy solution, that there is something that will be found overnight or that something will fall out of the thin blue air to replace an industry that has been there for centuries.

I am not suggesting for a minute that we should be picking out pieces of this carcass. Perhaps a more apt analogy would be to take pieces of a used car. I am suggesting that we should look at the entire situation. Is it all or nothing? Will all of these mines be closed, doing away with the coal mining industry completely, as opposed to operating some of these mines that are economically viable and can be operated safely?

Certainly safety we cannot ignore in this debate. Heaven forbid that we have another mining disaster like that which we saw in Plymouth, Nova Scotia at the Westray mine. We know that coal mining can be done safely. If we can put a man on the moon, we can take coal out of the ground and we can do so safely. It has been done in the past.

I am suggesting that rather than wiping out the whole industry in Cape Breton, if there are those interested in buying certain select parts of that industry and operating them in a way that will be in line with government regulation, that is what we should be doing. We should not rule out that option.

Mr. Peter Mancini (Sydney—Victoria, NDP): Mr. Speaker, I listened with interest to the comments of my colleague from Nova Scotia. There has long been an affinity between my part of Nova Scotia and his, particularly in the coal mining industry. I was heartened to hear him talk about the decentralization that was done by the former Conservative government when industries were closed down in other areas. I hope that is something this government will consider.

I was happy to hear the hon. member talk about health considerations. Those watching this debate and reading *Hansard* should know that many miners' families who rely on the drug plan that is

currently operated through their employment have no idea whether their prescription drugs and their health needs will be met as of December.

This was not clear to me. The hon. member was critical of the package that is being offered. Is it the position of the Conservative Party that there should be an enhanced package for miners in Cape Breton?

Mr. Peter MacKay: Mr. Speaker, I appreciate the question from my colleague from Nova Scotia. He is correct in saying that there is a longstanding affinity and I know the people of Pictou County owe a great debt of gratitude to the people of Cape Breton, the draggersmen in particular, for their assistance during the Westray disaster and on other occasions when mining disasters took place in my part of the world.

In simple terms, I would support an enhanced package if it would ensure an equitable approach. As I tried to outline clearly in my remarks, there is an approach that appears to be in existence in which inequities exist, where individuals who have worked in the coal mining industry for a long period of time are disentitled to benefits, while those who appear to have been there for a shorter period of time are receiving benefits. There have been occasions when this has occurred in other programs, for example the TAGS program.

If the public at large is to have any confidence in this package, this remuneration or compensation package, there has to be fairness. That is what is missing here. It is not the genuine intent, but the formula that has been set up by the government is flawed. We have an opportunity to fix that. I hope that with the participation of the Progressive Conservative Party and other parties in opposition that the government will be open to the changes that will be proposed at the committee. I hope they will take place.

• (1345)

Mr. Dennis J. Mills (Broadview—Greenwood, Lib.): Mr. Speaker, I want to congratulate the member for Pictou—Antigonish—Guysborough on his tone in approaching this problem. Quite often if the tone is constructive, then there is a willingness on this side of the House to resolve these issues.

In terms of pension benefits and health fairness, I cannot believe that the minister is not going to make sure that the pension benefits and those issues relating to health are not included in the package. If the member's point is that we are not communicating clearly what that package is, then that is something we can work on.

I stand to be corrected, but my understanding is that this package ranks with some of the best settlement packages around. If there is room for better communication or minor improvement, then the

member has brought up a very important point. In other words, we should not have a similar divestiture in Sudbury, which is in my province, where the miners are getting preferential treatment over the miners in Cape Breton. I cannot imagine that we would do that.

On the other options, the member has brought up a very interesting point of looking at the notion of keeping a window in the industry. I think the member spoke about the Prince mine or the Donkin mine. If there is a way we can keep those mines, it is worth exploring. I am no expert in this area but I see that the minister is nodding his head that the member for Pictou—Antigonish—Guysborough has brought up a useful and constructive idea.

I want to refer to Enterprise Cape Breton Corporation. The reality is that every region in this country over the last seven or eight years has had to reinvent itself. Does the member not see the possibilities through the Enterprise Cape Breton Corporation with this enhanced economic package of the extra \$70 million on top of its existing pool of funds? There are opportunities for enhanced tourism, entertainment, motion picture and knowledge based industries. Information technology is exploding all over the world. We know of the academic achievements of most people in Nova Scotia and how Acadia and all the other universities are ranked. Can we not see opportunities for real economic development if we have a positive approach on this?

Mr. Peter MacKay: Mr. Speaker, I appreciate those comments and the positive tone. However, it does not answer the basic issue of equity when one is looking at the approach.

I take the member at his word when he says that surely the minister does not intend that and that this is not going to be allowed to happen. Time will tell. On this side of the House we certainly hope that the government would not allow that to happen.

As for the enhanced and possible opportunities that are going to exist by this package, I agree. I hope that the people of Cape Breton and all Nova Scotians will rise to the occasion. They have in the past and they have had to. Information technology, industry, academics and music are very important parts of the Cape Breton economy that have been developing.

These opportunities cannot exist unless there is a starting point. They need some form of industry to come in in the short term and address the unemployment situation. This is where the real dire straits exist. There is 20% unemployment. The same is true of Guysborough county in the riding I represent. I know it is true in other parts of the province.

In Newfoundland and in the maritime provinces generally, people want to work. They do not want the stigma to continue that maritimers are dependent on the rest of the country and have to leave to get jobs. They want to work. They want to stay at home.

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They want to be able to raise their families. They want to grow up and live in the places they are accustomed to. They want their dignity.

I hope this bill will address some of those inequities.

• (1350)

Mr. Dennis J. Mills (Broadview—Greenwood, Lib.): Mr. Speaker, I want to put some thoughts on the record. As a downtown Toronto member, I think it is important that people realize we are just as sensitive to these issues as members who come from the region.

The greater Toronto area in the last two and a half years has been blessed with one of the most exciting economies the country has seen in the last 20 to 30 years. Having said that, we should make sure that some of the reasons our economy is booming are applicable and that the opportunities exist in other parts of Canada. It is important to examine some of the good luck that Toronto has had and see if it can apply to other parts of the country.

I want to start with the easiest sector of all, and the fastest growing sector in the world, the tourism industry. Anyone who has travelled to Cape Breton knows that it is an absolute slam dunk. There are all kinds of instant tourism possibilities in that great part of Nova Scotia.

The member for Pictou—Antigonish—Guysborough talked about his community needing work immediately. In that particular sector, with just a small portion of that \$70 million, we could mount a very serious tourism campaign, not just for those who want to travel within Canada, domestic tourism, but we could target areas of the United States. Overnight we could enhance and create jobs in the community with bed and breakfast enterprises and tour companies.

That is my first point. I raise it because believe it or not, in the last three years one of the fastest growing sectors in Toronto has been tourism. It affects everything, not just hotels and motels, but restaurants and all the other subsets under the tourism rubric.

Another area that is exploding in Canada, and not just in Toronto but in Vancouver and Montreal and which has potential in Atlantic Canada and Cape Breton, is the motion picture industry. I am sure most members saw *The National* last night or the night before. The motion picture industry in Canada is one of our most rapidly growing sectors of the economy. The preferences that exist right across the country to attract and grow that sector are amazing. This is something where instant opportunity can be created in Cape Breton. Sometimes we are so close to the problems that we do not realize some of the advantages of the natural assets we have around us. That sector could be utilized immediately.

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These are ideas where we do not have to wait. The premier of Nova Scotia, the industry minister or the heritage minister can make instant requests of people in the motion picture industry. They can tell them of the preference package under the Enterprise Cape Breton Corporation, to take a look at what Cape Breton Island is all about and use it as a site for shooting motion pictures. Those are instant jobs. They are highly paid and good solid jobs, not minimum wage jobs. They are skilled jobs and semi-skilled jobs. History will show that once people are exposed to a region like Cape Breton, they will come back for repeat business.

Another area is information technology. There is not a part of our country that cannot take advantage of the opportunities within information technology and of what we have in terms of the educational thrust in Cape Breton and the whole province of Nova Scotia. There is absolutely no way we could miss if part of that extra \$70 million for special projects in Cape Breton, the Devco divestiture, could be targeted toward information technology including computer assembly and e-commerce. These are all lay downs in my mind.

• (1355)

Interestingly enough, because of the way the information highway has changed the world, the people of Cape Breton Island can have as much opportunity on the Internet as the people in downtown Toronto.

Our responsibility in the House is not to stand up and be anti everything. We should not be a coalition of antis here. We have to deal in hope. I recognize that there are people right now who are in pain and who have lost their jobs. One cannot imagine the slap on dignity when one does not have work. But at the same time, with money ready to roll in those various sectors, if we put positive energy into this right away, some things could start right away. If we were more positive in our action on Cape Breton Island, we could create a momentum. That is what our responsibility is in the House.

The Acting Speaker (Mr. McClelland): We have a couple of minutes before we get to Statements by Members. Perhaps we could go to questions and comments after question period and proceed now to Statements by Members.

STATEMENTS BY MEMBERS

[English]

SENIORS

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, I believe all of us owe a special tribute in 1999, the International Year of the Older Person, to our seniors who, like my parents, have

lived most of this century. They have seen many profound changes take place in our country and in the world. Growing up in the war years, they know what paying the supreme sacrifice meant. From the fifties on, they built the foundations for a very prosperous country that our generation has now inherited.

Today's seniors are still pioneers because they are dealing with many issues that we will yet face: health care, retirement security, affordable housing, remaining connected to family, volunteering in our churches and communities, and time for recreation and travel.

I believe we can learn many of life's most important lessons from our seniors, like putting up with a little less until something better can be afforded, or helping out neighbours and not relying on government or someone else to do it. The timeless principles and actions they have passed on to us are now our responsibility to pass on to our children. That is the best tribute we could give to our seniors. I thank them.

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[Translation]

ESTABLISHMENT OF NUNAVIK COMMISSION

Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.): Mr. Speaker, the president of Makivik, Pita Aatimi, the Minister of Indian Affairs and Northern Development and Liberal member for Kenora—Rainy River, in Ontario, and the Quebec minister responsible for aboriginal affairs signed a political agreement to establish the Nunavik commission, on November 5.

This tripartite commission will recommend a form of government for Nunavik, land covering the part of Quebec north of the 55th parallel. Its mandate will be to propose a plan of action and recommendations for the structure, operation and powers of a government in Nunavik, along with a completion schedule.

For many years, the Inuit of northern Quebec and I have been nurturing the hope of creating a unique and innovative system of government.

The Inuit of Nunavik have the ability and leadership to stimulate their economic growth within Canada.

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[English]

CANVAS OF WAR

Mr. Bryon Wilfert (Oak Ridges, Lib.): Mr. Speaker, during Veterans Week I made a statement in the House about honouring our Canadian war artists. Today I am pleased to let the House know that the Canvas of War opens on February 11, 2000 at the Canadian Museum of Civilization. The exhibition will present over 70 of the Canadian War Museum's best paintings, many of which have not been displayed in over 80 years.

• (1400)

Among the selected works are paintings by members of the Group of Seven and by Alex Colville. The exhibition will be on display at the Canadian Museum of Civilization until January 10, 2001. It is then scheduled to travel to four other venues in Canada and two in the United States.

Canada has one of the finest war art collections in the world. I hope that you, Mr. Speaker, and every member of the House will plan on going to see this very important exhibit.

* * *

POLAND

Ms. Sarmite Bulte (Parkdale—High Park, Lib.): Mr. Speaker, I rise today to pay tribute to Polish Canadians, Poles worldwide and, in particular, the Polish community in my riding of Parkdale—High Park who on November 11, 1999 celebrated the 81st anniversary of Poland's independence.

Ten years after regaining its freedom, Poland has effectively joined the community of free countries. Poland's economy is in good fiscal shape. Its investment rate has grown three times faster than the GDP growth rate. As a result of Team Canada's visit to Poland in January, Poland is projecting commercial contracts valued up to half a billion dollars.

On March 12, Poland also became a full and unrestricted member of NATO. Consequently, Poland now feels secure and stable because it views this alliance as a structure which safeguards peace and democracy.

Polish Canadians have made significant contributions to our society. Several have been recognized as eminent figures in our Canadian heritage and are to be found among Canadian politicians, government officials, scientists, artists and journalists.

Today I would like to offer my congratulations to the people of Poland and all Polish Canadians on the occasion of their independence day.

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ABORIGINAL AFFAIRS

Mr. Derrek Konrad (Prince Albert, Ref.): Mr. Speaker, today the standing committee on aboriginal affairs begins hearings in B.C. on Bill C-9, the act to give effect to the Nisga'a final agreement.

Of course we know there is nothing final about this agreement, there are still some 50 areas to be negotiated. There is one thing that is final though, the list of witnesses now appearing before the committee. The list is locked up and no other witnesses will be allowed to appear. In addition, the committee will not be allowed to travel to all of the affected areas.

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Two high profile persons who should appear but were not invited are former B.C. premier, Bill Vander Zalm and President of the Union of B.C. Chiefs, Stewart Philip. There are many more who should be heard from but will not be.

The government's haste, secrecy and lack of consultation on this important treaty will remind Canadians of a couple of other events dreamed up by political elites: the Meech Lake and Charlottetown accords. They were rejected by Canadians after they found out what was involved. Is that what the government is afraid of?

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GOVERNOR GENERAL'S PERFORMING ARTS AWARDS

Ms. Carolyn Bennett (St. Paul's, Lib.): Mr. Speaker, on Saturday, November 6, 1999, the esteemed Governor General's Performing Arts Awards took place here in the nation's capital. This annual event celebrates Canadian performers who have enriched our lives and recognizes these artists who have made tremendous contributions to the cultural life of Canadians.

Each year, six artists are nominated for the awards by members of their own arts community. I am pleased to announce that two of this year's recipients Mr. David Cronenberg and Mr. Mario Bernardi are from my constituency of St. Paul's.

Mr. Cronenberg is a world-renowned filmmaker whose work has been characterized by his unique ability to examine the subtle motivation of human psychology. An officer of the Ordre des Arts et des Lettres de France, this year he chaired the Cannes Film Festival jury and was the first Canadian to be honoured to do so.

Mr. Bernardi is most known for his complete understanding of the composers and the music he conducts. As creator of the National Arts Centre Orchestra and founding conductor, he has played a pivotal role in developing the cultural centre in the nation's capital and it is his leadership that laid the foundations of the NAC which has endured for 30 years.

It is an honour for me to offer my congratulations to both of these artists who have contributed so much to our culture and to the arts community.

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[Translation]

INTERNATIONAL YEAR FOR THE CULTURE OF PEACE

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, the United Nations have designated the year 2000 the international year for the culture of peace. As parliamentarians, we must all concern ourselves with the development of peace in the world.

Parliamentarians from around the world have a vital role in this regard by allowing the public to play its citizenship role fully and promoting its participation in democracy. In this regard, the Bloc

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Quebecois has created a workplace dedicated to democracy and the role of the people. This initiative warrants encouragement.

Perhaps it is not a mistake to think that the indefatigable work of the artisans of UNESCO will open our hearts, and the words and actions of public decision makers will give expression to the appropriateness of their concern for real peace.

By introducing bills on female circumcision, sex tourism and the creation of a position of poverty commissioner, I wanted to enable those, often children, who cannot express their distress and suffering, to be heard.

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• (1405)

[*English*]

THE LATE FRANK FAUBERT

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I rise today to pay tribute to the life of one of Scarborough's great leaders, a former mayor who made landmark contributions to Scarborough and her people and who lost his battle against cancer in June.

Frank Faubert, fondly known as "Mr. Scarborough", combined two loves in his long political career: a passion for politics and devotion to Scarborough, the city where he was born and raised. In his public life he served as an alderman, member of provincial parliament, mayor of the former city of Scarborough and as a councillor in the new city of Toronto.

Scarborough and Toronto share in the legacy of his public service and unique leadership style.

He was at the forefront in advancement of urban race relations and was a major contributor to the settlement and growth of Scarborough's multicultural and multireligious communities.

As mayor of Scarborough, Frank worked tirelessly to promote Scarborough's image and as a place for businesses to invest.

On behalf of my colleagues from Scarborough East, Scarborough Southwest, Scarborough Centre and Scarborough—Agin-court, we say thank you to his wife Marilyn and their children for sharing Frank with us.

We miss Frank and Scarborough will miss him too.

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THE LATE DAN ROWAN

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, on Friday, November 12 a United Nations plane on a humanitarian mission to Kosovo went down killing all 24 people on board.

Among the victims was a Canadian from the national capital region, Dan Rowan, an employee of the Correctional Service of

Canada. He was on his way of Kosovo as part of Canada's contribution to help rebuild this wartorn region.

Canadians were shocked and saddened, as were people in countries around, the world to hear of this tragedy.

While no words can lessen the pain and anguish felt by Mr. Rowan's family, friends and colleagues, I am sure I speak for all members of the House in extending our deepest and heartfelt sympathies to those who knew him.

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CANADA ELECTIONS ACT

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, the government is once again trying to impose an election act gag law on the voters of Canada.

The House leader for the government says that he needs a gag law because the parties and candidates have limits on what they can spend. The real reason for the gag law though is to try to prevent organizations like the National Citizen's Coalition from bringing the voting records and performance of MPs to the attention of voters during election campaigns.

But third party advertising would simply vanish all by itself if parliament was a place of the people where MPs voted the way their constituents told them to. The minister could put a stop to third party advertising simply by working to reform our dysfunctional parliament so that it is no longer a place of the parties where the outcome of every vote is known before the debates begin.

The minister's efforts are misdirected against third party spending. He should stop trying to treat the symptom instead of the cause and abandon his ill-advised gag law before the courts do it for him yet again for the third time.

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[*Translation*]

ANTI-SMOKING MOVEMENT

Mr. Yvon Charbonneau (Anjou—Rivière-des-Prairies, Lib.): Mr. Speaker, it is with great pleasure that I congratulate two distinguished Canadians and Quebecers who, on behalf of the Coalition québécoise pour le contrôle du tabac, have just received awards from the World Health Organization and the Canadian Society for International Health in recognition of their involvement in and efforts to further the anti-smoking movement. I am speaking of Heidi Rathjen and Louis Gauvin.

It is worth pointing out that the contribution of these individuals has been recognized both nationally and internationally.

In 1994, Canada concluded that national efforts to combat smoking should be strengthened through international initiatives that would address widespread transnational problems such as contraband and transborder advertising.

Congratulations to our distinguished award winners, Heidi Rathjen and Louis Gauvin.

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[English]

ROYAL CANADIAN MOUNTED POLICE

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): Mr. Speaker, I am sure that you too will find the following news both shocking and appalling.

As a result of inadequate financial support by the federal government for the Royal Canadian Mounted Police, the federal government has essentially declared that Canada now has an open season for unscrupulous types, swindlers, con artists and especially for white collar crooks.

On September 27, Staff Sergeant Montague wrote to constituents of mine who had been swindled out of \$700,000 in a stock market scam saying, "You have a valid complaint. However, due to the shortage of resources in the RCMP Police, we regret that we are unable to continue with your investigation".

In other words, the police are unable to uphold and enforce the law. They lack funding to do the job that we expect them to do. Staff Sergeant Montague's letter was really a public cry to the solicitor general and to the government to provide the RCMP with the financial support they need to uphold Canada's laws.

With a budget surplus of at least \$90 billion over the next five years, it means that the government has the money and not to adequately fund the RCMP would in itself be a crime.

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• (1410)

[Translation]

FEDERAL PUBLIC SERVANTS RETIREMENT FUND

Mr. Benoît Sauvageau (Repentigny, BQ): Mr. Speaker, once again, the Liberal government is demonstrating its inability to govern responsibly.

After taking the pay equity question to the courts, government employees must once again turn to a court of law for recognition of their rights.

The \$30 billion in the pension fund for public servants, and members of the armed forces and the RCMP, do not belong to the government. This money belongs to retired workers and to present employees of the government; grabbing it constitutes legalized theft. The Liberal government must stop treating its employees this way.

The Bloc Québécois has fought hard against Bill C-78 and the usual indifference of the Liberals. Today, we wish to reaffirm our

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support for public service unions, so that another of their employer's injustices will finally be put right.

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FRANCOPHONES OUTSIDE QUEBEC

Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, on October 28, the Bloc Québécois spoke against the arrival of Franco-Ontario television in Quebec.

However, at the 45th annual general meeting of the French Canadian association of Ontario on June 3, 1994, Lucien Bouchard said that the Bloc Québécois served as the linkage between francophones from outside Quebec and the federal government.

He added at this June 3, 1994 meeting that the dynamism and vitality of Franco-Ontarians was a vital force in the Canadian francophone community.

Opportunistic sovereignists should show a little consistency.

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[English]

EMPLOYMENT INSURANCE

Ms. Angela Vautour (Beauséjour—Petitcodiac, PC): Mr. Speaker, since elected in 1997, I have been continually defending the need for EI rezoning for the region of Albert County, Salisbury and Petitcodiac. The livelihood of many families are depending on it.

These rural communities with no economic similarities with Moncton have been included in their neighbouring urban zone. Seasonal workers will be finding themselves with no incomes starting in January because of the government's past decisions.

During my ongoing correspondence with the former minister of HRDC, I have succeeded in getting a commitment to move the rezoning date from July 2001 to July 2000. I have been assured that as an MP I would be involved in the process.

We are now just eight months away and the consultation process has yet to begin. I urge the HRDC minister to make the EI rezoning one of her priorities and to involve the MPs of the affected regions. It is time for the government to make the EI system work better for all Canadians.

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SQUEEGEE KIDS

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, as we all know, squeegee kids are carving for themselves an economic niche at the margin of society but still within it. They do not conform to our model of dressing and behaving, but then, did we at their age?

Squeegee kids create their own jobs. They work in hot and cold weather. They are often left without remuneration when traffic lights turn green.

Oral Questions

Believing in repression rather than accommodation, the Ontario government, showing again its ugly face, has decided to prosecute squeegee kids. This is not surprising from a government which wrenches \$2.6 million from the budget for battered women.

Evidently the Ontario government needs money to build jails, presumably for incarcerated squeegee kids. The Reform Party most likely supports such a policy, but hopefully it will prove me wrong.

This message is brought to the House by the Coalition of Citizens for a Less Vicious Government in Ontario.

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THE REFORM PARTY

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, today the Reform Party has released its foreign affairs policy paper. This paper was prepared in close consultation with many foreign policy experts. It is an approach to foreign policy that the Reform Party believes will take Canada into the 21st century with credibility and confidence.

Canada is sliding into an insignificant status in the world and all Canadians will suffer due to the loss of prestige, trade and influence.

Canada needs a vision for the 21st century, not knee-jerk reactions to world events. This policy promotes the pursuit of national interests to marshal Canada's assets to emphasize our sovereignty and political, economic and strategic interests in vital areas.

We propose investment in hard power with a military that has the tools to exercise effective influence. Canada cannot become the world's 911 number. It needs a revamped foreign affairs policy that will enable us to move into the 21st century.

• (1415)

The Reform Party is prepared for the challenges of the new millennium. It is too bad the Liberals are stuck—

The Deputy Speaker: The hon. member for Winnipeg North Centre.

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BANKING

Ms. Judy Wasylcia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, Canadians thought they had won a victory when they convinced the government to say no to monster banks and merger mania. They were sadly mistaken.

The big banks have just found another way to accomplish the same objective and Liberals just stand idly by and watch. In the interest of increasing already obscene profits they are closing branches, killing jobs and destroying the access of Canadians to reasonable banking services.

In my constituency alone, which is a community of inner city residents and older neighbourhoods, bank branch closures have become an annual affair. In fact, we have two more to come in just the next month.

People are fed up. They are fighting the CIBC's decision to close branches that seniors and low income residents depend on. They are dreading the impact of the announcement of the Bank of Montreal of more layoffs and closures. They feel abandoned by the banks and deserted by their federal government.

Why do Liberals stand idly by when the big banks sacrifice human needs and devastate already hard pressed communities? It is time for the government to say to the big banks that they have been charged with a public trust and they have the responsibility to reinvest in the very communities which gave them their success.

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PETITCODIAC RIVER

Mr. John Herron (Fundy—Royal, PC): Mr. Speaker, the future of the Petitcodiac River has been the cause of much concern in the province of New Brunswick. Since the construction of the causeway in 1968 the natural state of the waterway has been significantly altered and the result has been the near death of a river.

I recently wrote to the federal Minister of the Environment and the Minister of Fisheries and Oceans, as well as the political minister for the province, urging them to initiate a jointly funded federal-provincial comprehensive scientific assessment of the causeway and its effects on the entire ecosystem of the waterway.

There may be some questions that need to be answered. We need to study the impact the opening will have on the lobster fishery in Alma and the landfill site in Moncton. The answers may only be found by opening the causeway gates for a significant trial period so that scientists can determine the best way for long term action.

We need to take the politics out of this issue and let science decide what is the best way to save the Petitcodiac River.

ORAL QUESTION PERIOD

[English]

PORT OF VANCOUVER

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, the lockout at the port of Vancouver has cost Canadians millions and millions of dollars again.

In three of the past four years labour-management disputes have brought this port to a grinding halt. Unless something substantial is done it will happen again next year.

Oral Questions

Why will the government not introduce legislation for binding arbitration of these disputes and remove even the possibility of future lockouts and work stoppages?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, we are taking decisive action to bring work back to the port. I think we have to thank opposition parties for their co-operation in this regard.

With respect to the hon. member's specific question, this is something we can take a look at and perhaps the labour committee of the House of Commons can do so as well. We would welcome the suggestions of all members from both sides of the House on how to avoid this situation from being repeated in the future.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, Canadians are tired of temporary ad hoc solutions to this problem. Canadians want confidence in their port system and they do not have it now.

This has become a yearly ritual. Labour-management talks break down, work stops, and the government fumbles around looking for a temporary solution that does not work even through the year. Meanwhile Canadians are left paying the bills, in this case up to \$100 million a day.

Why will the government not end next year's strike or lockout before it starts by introducing legislation to provide for binding arbitration in these cases?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, the legislation before the House will provide for stability with respect to the particular group of employers and employees in question for several years.

It certainly will give us time to examine the situation and to take decisions on how to deal with this in a manner that respects the collective bargaining concept and at the same time ensures that the port operates in the interest of all Canadians, particularly the provinces of Alberta, Saskatchewan and British Columbia where key commodities depend on the port of Vancouver.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Deputy Prime Minister avoids the question. These are temporary ad hoc solutions that solve nothing in the long run.

Every time one of Canada's ports shuts down because of these reasons both foreign and domestic shippers go to American ports to move their products.

• (1420)

Each time that happens there is no guarantee that the Canadian ports will get their business back. It is not only the daily cost of these lockouts and strikes. It is the long term cost to Canadians and Canadian business.

Again, why will the government not introduce some permanent solution to this problem by providing for binding arbitration in the case of these disputes?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, I thank my hon. friend for his expression of confidence in the ability of the government to deal with this matter effectively. We appreciate that very much and we will take his views into consideration because we do intend to go further into this issue to make sure that this does not happen every year.

I suggest that all members of the House have a role to play in working out the best ways to do this in the interest of the people of British Columbia and the rest of the country.

I again thank my hon. friend for recognizing, in calling on the government to do this, that we know what to do in the interest of all Canadians.

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TAXATION

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, Holly lives in a small town in British Columbia. She is a single mother of five and three of her kids still live at home. She went back to school and after years of hard work managed to graduate from university and become a teacher. She wrote:

—the hard work was worth it because I love what I do—but I can't survive monetarily. Yes I make a good wage, but after deductions I still can't buy my 10 year old son a pair of winter boots.

What does the finance minister have to say to Holly about the pickpocketing of her paystubs?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, there is a number of things. First, we raised the child tax benefit last year. In addition, we increased the threshold above which people have to pay taxes.

In Holly's specific case, in the Canada opportunities strategy we brought in a system whereby single parents will get a \$3,000 a year grant to go back to university. That is specifically what we have done for Holly.

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, that is cold comfort. Holly is already a teacher. She wrote:

My only option seems to be to leave this country because I need to support my kids. I love this country because there is so much good in it, but how can I see the good when the burden of taxation is blinding me?

Some hon. members: Oh, oh.

Miss Deborah Grey: It is great to just laugh and chuckle across the way here, but our Prime Minister told Canadians that they could just head south—

The Deputy Speaker: Order, please. I am sorry. Since I was able to hear the hon. member for Edmonton North I did not realize there was such disorder.

Oral Questions

Miss Deborah Grey: The disorder is right across the way. If you turn to your right you would see it.

She asked:

—how can I see the good when burden of taxation is blinding me?

The Prime Minister has told Canadians to move south if they do not like it here. Why is his finance minister also encouraging people like Holly to move south?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, again the disorder is in the Reform Party's research branch.

First, the Prime Minister said no such thing. Second, the fact is that although obviously I do not know all the details of Holly's situation in all likelihood she will have received by next year a 14% to 14.5% tax cut.

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[Translation]

AIR TRANSPORTATION INDUSTRY

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, instead of proposing a coherent air transportation policy, the Minister of Transport supported an illegal bid.

In this matter, the minister demonstrated a flagrant lack of respect for parliament, something a court brought to his attention recently.

After mocking parliament, supporting an illegal bid and being set straight by the courts, why is the minister not resigning?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, we have established a process for restructuring our airline industry. Now we have a proposal from Air Canada to acquire Canadian.

I hope the hon. member will let Air Canada and the private market carry on. If an agreement is reached, we will proceed with measures to protect the public interest.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, we have seen the way the minister protects the public interest.

One of his guidelines was to recommend the consideration of an illegal offer. That shows very clearly the minister's interest in air transportation. That shows very clearly his interest in transparent policy. He has made it plain he is much more interested in according benefits to his friends. He has been as incompetent in this matter as he was in national defence.

• (1425)

Is it not time the minister took off, cleared the runway and resigned?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, as I said, we are following a policy at present. There is a process in committee for studying the matter of our airline industry. I invite the hon. member to pay attention to the facts and arguments for restructuring when he makes accusations against the government.

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Mr. Speaker, we have learned one thing from the airline saga: Canadian International Airlines is well and truly controlled by American Airlines, contrary to the spirit of the legislation on the control of Canada's airlines.

Since he has refused to fulfil his duty as a minister and has instead supported a project confirming American Airlines' control over air travel in Canada, ought the Minister of Transport not to tender his resignation immediately?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, I have already answered that question.

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Mr. Speaker, given his inability to protect the regional airlines, and his equal inability to produce an airline policy for Canada, should the Minister of Transport not resign, just as he did when he was the Minister of National Defence, since he is totally overwhelmed by the situation that exists in the airline industry in Canada?

[English]

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, what I am overwhelmed about is the absolute incompetence of the opposition, in this case the Bloc Québécois, which refuses to look at the arguments and refuses to enjoin in a debate at committee. Instead it should pay more attention to the facts and help all of us here deal with a very difficult situation.

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DEVCO

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, the federal government's plan for Cape Breton is a one time kiss off payment equal to less than one year's economic activity generated by Devco and after that Cape Bretoners loose, like the federal government did to fisheries workers, like the federal government is doing to seasonal workers, like the federal government is doing to our farmers and their families. Why is the government leaving Cape Bretoners out in the cold?

Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, the government is not. When we examine the record stretching back to 1967, the Government of Canada has invested

over \$2 billion in the operations of Devco, either on the coal mining side or on the industrial development side.

In the course of immediate circumstances we are providing a human resources package, an economic development package, all of that in addition to what would normally be done by agencies like ACOA and ECBC.

The Government of Canada has a longstanding commitment to the people of Cape Breton and that will carry on.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, we are talking about the future of Cape Bretoners and their children.

The minister conveniently failed to mention the \$3.6 million spent on a new tunnel connecting buildings on Parliament Hill to protect our esteemed senators like Bernie Boudreau from the nip of cool air on that one minute walk to the Senate. We cannot have those senators out in the cold, now can we?

Meanwhile Cape Bretoners are already suffering 18% unemployment, 30% unofficial unemployment. How much pain must Cape Bretoners endure before the government begins to treat them with dignity and respect?

Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, what the people of Cape Breton need is the financial support that is being provided by the Government of Canada and serious and conscientious ideas about how to develop a better future on the island. What they do not need are the histrionics and hyperbole of a desperate political leader.

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CSIS

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, based on the recent comments of the Prime Minister it is obvious he does not understand the serious nature of the recent security breach by a CSIS agent. Hopefully the solicitor general does.

We know that a CSIS agent had sensitive top secret documents stolen from his or her car while at a hockey game in Toronto. We also know that the head of SIRC has commenced an investigation.

• (1430)

What actions has the solicitor general taken to identify how this breach of national security occurred and what disciplinary measures will be put in place to ensure that it does not happen again?

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, I can assure my hon. colleague that the government takes this matter very seriously and the Security

Oral Questions

Intelligence Review Committee will be evaluating the situation, as it should because it has a mandate from the House to do so. When it does I will receive a report.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, that is a tired mantra. This is the latest fiasco in this department that leads to an international embarrassment and it is indicative of our national policing agencies being in decline and disarray.

CSIS and the RCMP have had their budgets cut to ribbons by this government. The head of SIRC, Paule Gauthier, read about the CSIS calamity in the *Globe and Mail* almost a week after it happened. We do not know when Ward Elcock heard.

When was the solicitor general first advised about this blatant violation of national security and what actions did he take to deal with that breach immediately? The confidence of Canadians in our agents hangs in the balance.

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, I was notified immediately.

What action is SIRC taking? It will review what took place. It has a mandate from the House to review and report on the situation. That is exactly what will happen.

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, the solicitor general is taking great licence with the word immediately. That theft occurred fully three weeks before it was reported in the *Globe and Mail* and the first time the head of SIRC read about it was in the *Globe and Mail*.

Why were they not informed immediately? Why is he covering up for CSIS?

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, as I indicated previously, SIRC, the Security Intelligence Review Committee, has the mandate to review these issues. It has access to CSIS files. That is exactly what will take place. It will review the situation, it will report on it and I will receive the report.

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, once again this minister is taking great licence with the truth.

The fact of the matter is—

Some hon. members: Oh, oh.

The Deputy Speaker: I know the hon. member for Kootenay—Columbia will want to stay well within the rules in putting his question and I invite him to do so.

Mr. Jim Abbott: Mr. Speaker, I would like the solicitor general to tell the House and Canadians when he received advice and when he advised SIRC. I believe that SIRC was advised by the *Globe and Mail* three weeks after the event. Can he change that opinion?

Oral Questions

When did the solicitor general advise SIRC? Did he advise SIRC at the same time that he was advised? That is his responsibility.

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, as I indicated in response to a previous question, I was notified immediately. The Security Intelligence Review Committee has the mandate, as I indicated quite clearly to my hon. colleague, to review these issues. It has access to CSIS files. It will review, it will report and I will receive the report.

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[Translation]

AUDIOVISUAL PRODUCTIONS

Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ): Mr. Speaker, the Minister of Canadian Heritage has maintained that she knew nothing about the practice of using other people's names that went on in the televisual sector.

Yet there was an investigation in 1997, which was put on hold shortly before the election was called and, a few months later, Mr. Shapiro, an executive producer with World Affairs, testified during a trial that he had used someone else's name. The minister therefore cannot seriously maintain that she knew nothing of this practice.

My question is for the Minister of Canadian Heritage. What has she been doing in the last two years to ensure that taxpayers' dollars are being properly spent?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, for some weeks now, I have been making the point that an RCMP investigation is now under way.

If the member does not believe me, does not believe in the process, perhaps he would believe Agnès Maltais, Quebec's culture and communications minister who, on November 13, asked that the situation within SODEC be assessed and requested that she be given the results of the RCMP investigation. With these two documents, she will be in a position to take action.

Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ): Mr. Speaker, the minister can go ahead and use the excuse that everything is under investigation, but that does not change the fact that there was an investigation and a trial in 1997, nor does it change the recent revelations that show, beyond a shadow of a doubt, that producers acted fraudulently to obtain large amounts of money from the federal government.

By refusing to take the necessary corrective action, is the minister not guilty of complicity?

• (1435)

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, the member continues to make insinuations. I would just like to say that, if he does not believe me, and if he does not

want to listen to Agnès Maltais, he would perhaps be interested in what Denise Robert, the president of the APFTQ, has to say "The insinuations of widespread misappropriation of funds we have been hearing here do not solve anything and are very harmful to the industry as a whole, which generates 25,000 direct and indirect jobs in Quebec annually".

If he does not want to listen to me, he should at least listen to the president of the APFTQ.

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[English]

CSIS

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, I ask the solicitor general again. He has told us that it is the mandate of SIRC to look into this matter and that is correct, but the question is what date did he receive advice from CSIS and what date did he advise SIRC to carry out its mandate and do its job?

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, as I indicated to my hon. colleague previously, I was notified immediately. I do not have to tell SIRC what to do. SIRC is mandated by the House to review the files of CSIS. That is exactly what is taking place.

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, let us try one more time. I need to know and Canadians need to know from the solicitor general the date that he was advised and the date that SIRC was advised by himself, by somebody at CSIS, by somebody in his department. When was SIRC advised to look into the theft? Was it at the same time that the minister was advised? I do not think so.

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, all I can do is repeat to my hon. colleague that I received the information from CSIS immediately and SIRC has the mandate from this House to review the files. The files are available. I do not have to tell SIRC what to do. It reviews the files and reports to me.

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[Translation]

FINANCE

Mr. Richard Marceau (Charlesbourg, BQ): Mr. Speaker, today the ministers of finance are meeting together, and one of the main issues they will be addressing is the cumulative cuts in federal transfers to the provinces which have deprived them of some \$33 billion.

Will the federal government admit that it has improved its finances at the expense of the provincial budgets and that transfer payments must be restored to their previous levels in order to allow the provinces to reinvest in health and education?

Oral Questions

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, surely, the hon. member knows that, last year, health transfers to the provinces were raised in excess of \$11.5 billion over five years.

The hon. member must also know that the deficit has been eliminated as a result of the economic upturn in this country, the increase in employment, and the decrease in interest rates, all entirely due to the atmosphere of confidence that reigns in this country at this time.

Mr. Richard Marceau (Charlesbourg, BQ): Mr. Speaker, will the minister not admit that the present financial situation of the federal government and of the provinces reveals a serious flaw in the Canadian federal system, namely that the government with the money does not have the responsibilities, while the ones with the responsibilities do not have the money, thanks to him?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, when we look at the debt/GDP ratio, for example, we see that the provinces are far better off than the federal government.

When we look at the amount that the governments are spending on interest, it is 27 cents on the dollar for the federal government and an average of about 14 cents for the provinces.

The three levels of government must work together, and we intend to do so. By so doing, we will have the winning conditions for a stronger economy and a better society.

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[English]

JUSTICE

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, a leaked document from the correctional service indicates plans to spend \$3.8 million on a plane because “forecasting indicates the number of violent offenders is expected to increase”. The justice minister says that violent crimes are declining, so why is the solicitor general spending money for transportation on what he calls an increase in violent offences?

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, all decisions made by Correctional Service Canada are made with public safety as the number one priority. On the issue of the plane purchase, it is for public safety and also for economic reasons.

• (1440)

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I do not read a lot of those reasons in the document.

The second reason for spending is that the current system of using RCMP aircraft does not accommodate the scheduling needs of the inmates.

Will the solicitor general please explain? Where are the inmates going in such a hurry? The last time I checked, their schedules were totally flexible.

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, as I indicated previously, the purchase of this plane is, first, for public safety and, second, it will be a money saving venture. As well, the RCMP will have access to this aircraft.

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[Translation]

CSIS

Mrs. Pierrette Venne (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, an analyst from the Canadian Security Information Service was robbed of highly confidential documents, as we know, because she left them unattended in her car. Furthermore, she waited a week to report the theft to her superiors.

Does the minister realize how ridiculous the secret service looks when an employee decides to take secret documents to a Maple Leafs hockey game?

The minister has said he called for an investigation immediately, as soon as he learned the documents had been stolen. What does immediately mean for him? Did he learn about it in the *Globe and Mail*—

The Deputy Speaker: The solicitor general.

[English]

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, as I indicated previously, I was informed immediately when this happened. The Security Intelligence Review Committee will do a review, as I indicated previously, and it will have access to all CSIS documents. It will review the situation and it will report to me.

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RAILWAY CROSSINGS

Mr. Janko Perić (Cambridge, Lib.): Mr. Speaker, my question is for the Minister of Transport. This June several grade school students in my riding could have been seriously injured when a railway crossing arm apparently malfunctioned.

What is the minister doing to improve safety at railway crossings in Cambridge and the rest of the country?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, I know that this is of great interest to all members of the House because railway accidents happen very frequently.

In the last 10 years we have seen a reduction in railway crossing accidents. To achieve the goal of preventing accidents, we are actively involved in the crossing improvement program. We have contributed \$50 million over the past six years. In fact another \$2 million went into the program just recently. We have established a

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program called Direction 2006 which seeks to increase awareness of safety issues surrounding the rights of way and rail crossing issues across the country.

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NATIONAL DEFENCE

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the Prime Minister wants to withdraw our troops from Kosovo. He has confirmed what the official opposition has been saying for a long time, that our troops are overstretched. To add insult to injury, he has referred to our men and women in the military as Boy Scouts, while the foreign affairs minister talks about soft power.

When will the Prime Minister stop abusing and running down our military and start giving them the funding they need to do the job?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, the Prime Minister and all of us on this side of the House have great admiration for the work done by the men and women of our armed forces. We are justifiably proud of the role the forces have played in building peace and security in the troubled Balkans.

We are certainly aware of their funding needs. The Minister of National Defence is working on this. In the meantime, our decision to consolidate in Bosnia has been done not in isolation but in consultation with our allies who are carrying out similar steps to avoid overlap and duplication.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, I can see why the Deputy Prime Minister has to read the answer off as to what the accomplishments of our troops are because he probably does not even know on a personal level.

The Deputy Speaker: I do not think I need to remind the hon. member for Calgary Northeast that people sometimes refer to notes in this Chamber, but members do not read. It is contrary to the rules.

Mr. Art Hanger: Mr. Speaker, why do you not tell the Deputy Prime Minister that? I think he needs a lesson or two from the Chair.

The government has an ad hoc approach to—

Some hon. members: Oh, oh.

• (1445)

The Deputy Speaker: Order, please. Everyone knows that members can make use of notes.

Mr. Art Hanger: Mr. Speaker, I will make use of some of my notes too, but I do not need notes to know what the accomplishments of our military are. Obviously, the Deputy Prime Minister does.

The mission to Zaire in 1996 is still known as the bungle in the jungle by the Canadian military. We struggled to find resources to send troops to Kosovo. We continue to look further to send troops to East Timor. Now the Prime Minister has finally admitted that there is a crisis in the military. Why does he not give the Canadian forces the resources they need to do the job?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, my hon. friend says we are not giving due respect to the armed forces. Now he insults them by calling their work bumbles in the jungle. He ought to be ashamed of himself.

If the hon. member was not holding up that paper close to his glasses, he would not know if he was in the House or outside the House.

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DEVCO

Mr. Peter Mancini (Sydney—Victoria, NDP): Mr. Speaker, the Minister of Natural Resources said today that he did not want to raise expectations, but he said that funding allotted for the economic adjustment in Cape Breton as a result of the government's abandonment of Devco is under reassessment, finally acknowledging that the original package is not adequate.

Will he commit today to a new funding package, a fair funding package for the people and the miners of Cape Breton?

Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, what I explicitly said was as a result of the roof falls which have created a very serious safety situation in the mines, naturally we would review all aspects of the previously existing human resources package in the context of fairness, in the context of the precedents that exist on both sides of the equation and in the context of fiscal responsibility. I put that on the record in the House earlier today.

Mrs. Michelle Dockrill (Bras d'Or—Cape Breton, NDP): Mr. Speaker, I am pleased to hear the minister for the second time today acknowledge that the premature closure of the Phalen mine has dramatically changed the dynamics of the situation facing Cape Breton miners and their families.

Instead of making policies on the fly with respect to the future of Cape Bretoners, will the government withdraw this grossly inadequate bill and get the natural resources committee into Cape Breton where a true consultation process can begin for Cape Bretoners by Cape Bretoners?

Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, the process of privatization is an extremely important one. That is where the best hope lies in terms of long term commercial

viability for the coal mining sector in Cape Breton, including the maintenance of the maximum number of good long term jobs.

In terms of consultation, that consultation is ongoing, partly in respect of economic development, partly in respect of the privatization process and partly in respect of other elements of this package. In response to the requests of Cape Bretoners, we have made very sure that we have consulted and we will continue to consult.

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CSIS

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, the solicitor general has skated very well on the issue so far when he said that he knew immediately of the disclosure.

When did he find out? Was it between the second and first period? If he did find out immediately, did he tell the director Ward Elcock? Why did he not tell the director of CSIS, Paule Gauthier? Why did he not disclose that immediately so an investigation could have begun three weeks ago?

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, as I previously told my hon. colleague, I was informed immediately. Also we have the Security Intelligence Review Committee in place which is mandated by this place to review CSIS activities. It has access to CSIS documents. It will evaluate them. It will put a report together and I will receive the report.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, there is a serious communication breakdown taking place. We know the RCMP and CSIS do not communicate. Obviously the solicitor general does not communicate with members of his own department.

● (1450)

This has been described as the most serious security breach in the 15 year history of the service. What is the solicitor general doing to plug the leaks? When are we going to get some accountability from the minister?

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, as I indicated to my hon. colleague, there will be a report by the appropriate body. When I receive that report it will be evaluated. That is the process. I ask my hon. colleague to let the process work.

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ENDANGERED SPECIES

Mr. Lou Sekora (Port Moody—Coquitlam—Port Coquitlam, Lib.): Mr. Speaker, my question is for the Minister of the Environ-

Oral Questions

ment. Constituents from my riding of Port Moody—Coquitlam—Port Coquitlam have declared a widespread support for endangered species legislation.

I would like to know how far the minister is prepared to support the species at risk legislation.

Hon. David Anderson (Minister of the Environment, Lib.): Mr. Speaker, the constituents of the hon. member reflect the views of Canadians from coast to coast to coast, all of whom want to have strong endangered species legislation.

I will be meeting with my provincial counterparts later this month, which follows up on a meeting of two months ago, so that we can have full provincial and territorial participation in an effective network across the country to protect species at risk.

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NUCLEAR WASTE

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, the United States does not want Canada to burn its waste plutonium. Russian waste will only be imported if Canada pays for it. Ontario Hydro does not want to burn plutonium and the Mohawk leaders will blockade the shipment. Residents and town councils along the proposed route have condemned the plan. It is pretty clear that Canadians do not want a test burn.

Will the Prime Minister call off this unnecessary and unwanted test burn today?

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, the reports that appear today are not quite accurate. In fact, the United States does want to proceed with the tests because they agree, as we do, that there is a very important serious problem of nuclear proliferation of a large surplus of nuclear warheads. If we are going to eliminate the dangers and hazards of nuclear proliferation then we all must play a part.

We have just completed a series of consultations. The Minister of Transport will be releasing a report on that matter. We have given all assurances that in order to achieve our objective of helping in this nuclear disarmament, we will also make sure that the safety and security of Canadians are protected as well.

[Translation]

Mr. Serge Cardin (Sherbrooke, BQ): Mr. Speaker, we have learned that the American government has backed away from its intention to send plutonium to Canada for use as fuel in a Canadian reactor. We also know that the Canadian government wanted to process Russian plutonium.

My question is for the Minister of the Environment. Given the American decision, does the government intend to reverse its decision to import plutonium and transport it through Canada to Chalk River, Ontario?

Oral Questions

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, I will repeat what I said.

It is not true that the United States is no longer interested in the tests on plutonium. In fact, they share the great concern of all Canadians and Americans with respect to the problem of nuclear proliferation.

I hope all members of the House agree that we must give very careful thought to the Department of Transport's procedure and, at the same time, to the importance of priority in achieving nuclear disarmament.

* * *

[English]

EAST TIMOR

Mr. Svend J. Robinson (Burnaby—Douglas, NDP): Mr. Speaker, my question is for the Minister of Foreign Affairs.

Today the East Timor Alert Network, Amnesty International and the CLC all joined in calling on the government to impose a total embargo on all military ties with Indonesia, including the outstanding export permits and to support substantial Canadian contribution to the stalled international tribunal on crimes against humanity in East Timor.

Will the minister now agree to implement these important recommendations and thus send a strong signal to Indonesia's generals that they will be held responsible for their genocidal policies in Timor east and west, in Aceh, Iryan Jaya and elsewhere in Indonesia?

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, we have always taken the position that the question of accountability is one of the primary elements in the settlement for East Timor. We are continuing to pursue that both at the United Nations and in our discussions with other partners.

• (1455)

At the same time I would like to emphasize that what is really crucial, what is very essential now, is that East Timor has its independence. The time, energy and resources of this country, as with all countries, including the network, the CLC and the hon. member, should be going toward ensuring that independence, to help build a civic administration and to help protect the security of the East Timorese. That is the real issue, not going on the kind of wild goose chase the—

The Deputy Speaker: The hon. member for Brandon—Souris.

* * *

AGRICULTURE

Mr. Rick Borotsik (Brandon—Souris, PC): Mr. Speaker, the minister of agriculture recently showed his true compassion and his

true feelings for the farm crisis in western Canada. Recently he told reporters that he had been told by farmers and I quote, "Don't you dare bail those bastards out". The minister also states that he has taken a tough love approach to the farm crisis.

Why is the minister of agriculture pitting one group of farmers against another group of farmers, as opposed to trying to resolve a very serious problem?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the government has shown very clearly how we care about Canadian farmers. In the last 12 months we have added to the safety net program over \$1 billion, nearly \$1.1 billion. That is four times what the hon. member's party said was required.

* * *

ULTRAMAR

Mr. David Pratt (Nepean—Carleton, Lib.): Mr. Speaker, my question is for the Minister of Industry.

Last summer the Ultramar corporation announced its intention to acquire the Ottawa area terminal facilities of Coastal Canada Petroleum, a major local supplier to independent wholesalers and retailers.

While I understand that the matter is currently before the Competition Bureau, can the Minister of Industry provide any comments whatsoever on the implications of this acquisition for local consumers?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the viability and the role of the independent gasoline petroleum suppliers is a very important component of a competitive marketplace, and therefore needs to be of concern to the government and to the Competition Bureau.

As the member for Nepean—Carleton has stated, the matter he has raised is before the bureau. The bureau is considering it carefully. It will consider whether it has implications for competition in the region in which the acquisition has occurred. The member can be assured that the bureau will do a thorough and comprehensive analysis before permitting the acquisition to proceed.

* * *

CSIS

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, the solicitor general did not really answer the main question from the member for Kootenay—Columbia. I would like to give him a chance to answer it again.

When did the minister advise SIRC of the theft of top secret documents from CSIS?

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, I found out three weeks ago today.

[Translation]

IMMIGRATION

Mr. Bernard Bigras (Rosemont, BQ): Mr. Speaker, Immigration Canada has refused access to two French-speaking immigrants wishing to settle in Saint Boniface, in Manitoba, on the pretext that they do not speak English.

How can the Minister of Citizenship and Immigration justify the decision by her department when the Secretary of State for the Francophonie, the member for Saint Boniface, is of the opinion that it is not essential to be able to speak English in order to live there?

[English]

Ms. Elinor Caplan (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the hon. member is wrong.

I cannot describe the situation because of privacy information. However, I can tell the member that when it comes to assessing, English and French language requirements are assessed equally.

If in this or any other situation the suggestions of the member opposite prove to be correct, then I will take the appropriate action to ensure that the situation does not occur again and that the situation is corrected.

* * *

CANADA HEALTH AND SOCIAL TRANSFER

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, my question is for the Minister of Finance.

Provincial and territorial finance ministers are meeting as we speak. They are calling on the government for the full restoration of federal transfer payments for health and education. The premiers have already done the same.

Canadians have said time and time again that health care is their first priority. They know that at 12% or less federal funding, we will not be able to ensure medicare for very long into the millennium.

Can we count on the government to do the right thing and ensure the full restoration of the Canada health and social transfer in the next federal budget?

• (1500)

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, last year the provinces defined what was full restoration of the health transfer portion of the CHST and that is exactly what the government did last year. In addition to that, the Minister of Health announced a whole series of measures having to do with evidence, best practices and research and development. In last year's budget, we went substantially beyond what the provinces asked for.

Routine Proceedings

CSIS

Mr. Rick Borotsik (Brandon—Souris, PC): Mr. Speaker, let us clear up that little definition of "immediately". The solicitor general did say in the House that he learned about the incident three weeks ago today.

Can the solicitor general please tell us then why he did not inform the head of SIRC immediately three weeks ago?

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, I have answered this question a number of times. That is SIRC's mandate and it has access to all of CSIS files. It will review the situation, put a report together and I will receive the report.

The Deputy Speaker: That concludes today's question period.

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[Translation]

SPECIAL ORDER PAPER

The Deputy Speaker: Order, please. I wish to inform the House that, pursuant to Standing Order 55(1), and at the request of the Government, the Chair has ordered the printing of a special order paper giving notice of a government motion.

[English]

Although this should have been done this morning, and I apologize to the House for forgetting to do so, I now lay upon the table the relevant document.

ROUTINE PROCEEDINGS

[Translation]

COMMITTEES OF THE HOUSE

FOREIGN AFFAIRS AND INTERNATIONAL TRADE

Hon. Pierre S. Pettigrew (Minister for International Trade, Lib.): Mr. Speaker, pursuant to Standing Order 109, I have the honour to table in this House the government's response to the report by the Standing Committee on Foreign Affairs and International Trade entitled "Canada and the Future of the World Trade Organization".

The government congratulates the committee on its continued efforts and on the dedication of its members permitting the consultation and informing of Canadians to be done so effectively. The committee's report was studied in depth and helped clarify the government's trade program.

Our government's response takes into account all 45 of the committee's recommendations and expresses our priorities and

Routine Proceedings

objectives for the ministerial conference of the World Trade Organization to be held in two weeks in Seattle.

* * *

[English]

ORDER IN COUNCIL APPOINTMENTS

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am pleased to table, in both official languages, a number of order in council appointments made recently by the government

Pursuant to the provisions of Standing Order 110(1), these are deemed referred to the appropriate standing committees, a list of which is attached.

* * *

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

• (1505)

INTERPARLIAMENTARY DELEGATIONS

Ms. Sarmite Bulte (Parkdale—High Park, Lib.): Mr. Speaker, pursuant to Standing Order 34, I have the honour to present to the House, in both official languages, reports from the Canadian branch of the Commonwealth Parliamentary Association concerning the following three meetings: 38th Commonwealth Parliamentary Conference, which was held from August 7 to 13, 1999 in Quebec City; the 45th Commonwealth Parliamentary Conference, which was held from September 18 to 23, 1999 in Trinidad and Tobago; and the 11th seminar of the Commonwealth Parliamentary Association which was held in Malta from May 27 to June 3, 1999.

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COMMITTEES OF THE HOUSE**PUBLIC ACCOUNTS**

Mr. John Richardson (Perth—Middlesex, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the first report of the Standing Committee on Public Accounts relating to chapter 6 of the April 1999 Report of the Auditor General of Canada, Human Resources Development Canada—An Account-

ability for Shared Social Programs; and, the second report of the Standing Committee on Public Accounts relating to chapter 10 of the April 1999 Report of the Auditor General of Canada, Indian and Northern Affairs Canada—Funding Arrangements for First Nations: Follow-up.

Pursuant to Standing Order 109 of the House of Commons, the committee requests the government to table the comprehensive responses to these two reports.

PROCEDURE AND HOUSE AFFAIRS

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the seventh report of the Standing Committee on Procedure and House Affairs regarding the membership of the Standing Committee on Finance.

If the House gives its consent, I intend to move concurrence in the seventh report later this day.

* * *

FINAL OFFER ARBITRATION IN RESPECT OF WEST COAST PORTS OPERATIONS ACT

Mr. Dale Johnston (Wetaskiwin, Ref.) moved for leave to introduce Bill C-315, an act to provide for the settlement of labour disputes affecting west coast ports by final offer arbitration.

He said: Mr. Speaker, talk about timely. I think the introduction of this bill is not only extremely pertinent to the House, but something that is extremely timely in that we have been discussing and will likely be looking at back to work legislation to re-open the port of Vancouver and the west coast ports today.

For the last week we have had a labour dispute that has literally cut off all exports and imports on the west coast ports and is having a devastating effect on Canada's economy.

My bill would provide for a final offer selection arbitration method that would allow the parties to continue to work and continue to keep the ports open while they continue to negotiate. If they could not negotiate then they would put their final offers to an arbitrator.

I believe this is something that is badly needed in the code and it should be there immediately.

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

Mr. Randy White: Mr. Speaker, I rise on a point of order. In light of the circumstances surrounding the port of Vancouver and the fact that this bill has just been introduced, I wonder if I might ask the unanimous consent of the House to make the bill votable and begin discussing it immediately?

The Deputy Speaker: Is there unanimous consent to make the bill votable at the moment and begin discussions immediately?

Routine Proceedings

Some hon. members: Agreed.

An hon. member: No.

* * *

TRANSFER OF OFFENDERS ACT

Mr. Janko Perić (Cambridge, Lib.) moved for leave to introduce Bill C-316, an act to amend the Transfer of Offenders Act (removal of foreign offenders).

He said: Mr. Speaker, I am pleased to rise today to reintroduce my private member's bill entitled an act to amend the Transfer of Offenders Act (removal of foreign offenders).

• (1510)

This is a companion bill to Bill C-292, the immigration enforcement improvement act, which I reintroduced on November 1.

The bill was first introduced in the 35th parliament following the 1994 murders of Georgina Leimonis and police constable Todd Baylis in Toronto. Non-citizens who had been evading deportation from Canada committed both murders.

Under the current legislation, foreign offenders cannot be removed from Canada unless they request to be removed and if their country of origin agrees to accept them. The bill would help to speed up the removal from Canada of non-citizens convicted of serious offences. I would encourage all members of the House to lend their support to this initiative.

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

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if the House gives its consent, I move that the seventh report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

(Motion agreed to)

* * *

PETITIONS

EQUALITY

Mr. Peter Goldring (Edmonton East, Ref.): Mr. Speaker, I take great pride in presenting a petition put forth by many concerned Canadians but mostly from the province of Quebec.

The petitioners are asking our government to affirm that all Canadians are equal under all circumstances and without exception

in the province of Quebec and throughout Canada. They wish to remind our government to only enact legislation that affirms the equality of each and every individual under the laws of Canada.

TELEPHONE SERVICE

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I rise again to present another petition on the matter of lack of telephones in parts of Peterborough county.

As members know, we are supposed to be the most connected country in the world and yet here is a group of families not far from the city of Peterborough who have telephone poles outside of their homes but who have never had telephones. One can imagine in this day and age what that means for teenagers and others.

The petitioners call upon parliament to intervene on behalf of these people through relevant federal departments, the CRTC and Bell Canada, to ensure they get telephone service soon.

IRAQ

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I have a petition from people in Peterborough county, the city of Peterborough and elsewhere, who are still concerned about the situation in Iraq.

They point out that the people of Iraq have suffered untold hardship in the wake of the gulf war, and that whereas ongoing UN sanctions against Iraq, regarded as the most stringent ever imposed by the UN, have devastated the Iraqi economy resulting in the deaths of over one million civilians, including many many children. They point out that these sanctions are not having any effect on the regime of Saddam Hussein himself.

The petitioners therefore call upon parliament to appeal strongly to the U.S. and Britain to cease all military operations against Iraq and call for serious peace negotiations, and further, to stop the suffering and death of Iraqi people that, excluding an embargo on military material, all other sanctions be lifted.

Further, they urge that Canada vastly increase its efforts in providing food, medicine and infrastructure reconstruction for the people in Iraq.

THE SENATE

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): Mr. Speaker, it is my honour, pursuant to Standing Order 36, to present a petition that essentially calls for the abolishment of the Senate.

The House will be amazed that this petition represents 129,000 signatures, which is more than my entire constituency, of men, women and children. It looks as though almost everybody in the Kamloops, Thompson and Highland Valleys constituency opposes

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the Senate, although a few people from other parts of the country may have slipped in to sign the petition.

• (1515)

They point out a whole variety of reasons why they do not like it and are asking the Government of Canada to take whatever steps are necessary to abolish the Senate of Canada.

CHILD PORNOGRAPHY

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I am pleased to table a petition from my home town of Sundre, Alberta, calling upon the government to invoke the notwithstanding clause or do whatever is necessary to put an end to the child pornography debate that has taken place as a result of the B.C. court decision.

THE SENATE

Ms. Judy Wasylcia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I am pleased to present a petition from constituents in Winnipeg and other communities in Manitoba regarding the abolition of the Senate.

The petitioners believe that the Senate of Canada is an undemocratic institution composed of non-elected members that are unaccountable to the people.

They believe that the Senate costs taxpayers more than \$50 million per year. They believe that the Senate is redundant, given the roles played by the supreme court and the provinces in protecting minority rights and providing regional representatives. They also believe that the Senate undermines the role of MPs in the House of Commons.

Therefore they call upon parliament to undertake measures aimed at the abolition of the Senate.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

REQUEST FOR EMERGENCY DEBATE

PORT OF VANCOUVER

The Deputy Speaker: The Chair has received an application for an emergency debate from the hon. member for Langley—Abbotsford.

Mr. Randy White (Langley—Abbotsford, Ref.): Mr. Speaker, the application for an emergency debate was sent last Friday. It was asking for some action to be taken last week by the federal government in terms of the Vancouver port situation. I see today that we will be into that debate.

I want to make a point very clearly to the government, to all members of the House and to those thinking about what is happening here today. We are likely to hear that there is a resolution of this conflict in British Columbia. However, what I continuously hear from the government side is that there will be a commitment by the employees and/or the employers to go back to work, or to allow employees to go back to work. That is a lot different from employees and employers saying that they have a collective agreement, at least a memorandum of agreement. There is a very substantive difference in that.

Unless we hear on this side that there is an agreement and not just a resumption of work today, and possibly tomorrow there could be other job action or the next day or the next day, we will be indeed debating it long and hard in the House.

In view of the fact that we asked for this last week because of inaction, we will accept the fact that there is now a motion to debate the Vancouver port situation in the House already and we will deal with that when it comes up a little later.

The Deputy Speaker: Is the hon. member for Langley—Abbotsford therefore withdrawing his motion for an emergency debate? The Chair has been left a little unclear as to exactly what is intended.

Mr. Randy White: Mr. Speaker, it is kind of what if, what if we get certain information. I would like to have it remain on the books because I am not satisfied that those people over there will have a proper resolution of the issue.

The Deputy Speaker: I will tell the hon. member what the Chair is prepared to do, and that is to reserve decision on the matter until later this day, which I will do.

Mr. Dale Johnston: Mr. Speaker, I rise on a point of order. I would like to pick up on what my House leader has said. There may or may not be discussion and debate on the problem at the west coast ports in the House today.

If the government does not bring forth back to work legislation then we on this side of the House will not have an opportunity to debate it.

The Deputy Speaker: That has been solved. The Chair has agreed to withhold a decision in respect of the matter until later today. We will see what happens, but I do not think we should get into a discussion on the merits or otherwise of the crisis at the moment since that is not the purpose of the standing order.

GOVERNMENT ORDERS

• (1520)

[English]

CAPE BRETON DEVELOPMENT CORPORATION DIVESTITURE AUTHORIZATION AND DISSOLUTION ACT

The House resumed consideration of the motion that Bill C-11, an act to authorize the divestiture of the assets of, and to dissolve, the Cape Breton Development Corporation, to amend the Cape Breton Development Corporation Act and to make consequential amendments to other acts, be read the second time and referred to a committee, and of the amendment.

Mr. Randy White (Langley—Abbotsford, Ref.): Mr. Speaker, I will be splitting my time. I am pleased to discuss in the debate on Bill C-11 the background of Devco for a moment. I want to address perhaps some of the background from where I come from in Nova Scotia and from some of the issues I have dealt with in the House of Commons in terms of regional development grants and so on. I also want to talk a bit about the litany of problems involved in the amount of money that government throws at situations, with no particular outcome in mind but really to keep people in certain parts of Canada quiet.

There is a saying that goes something like this: a government that robs Peter to pay Paul can always depend on the support of Paul. This is quite like the philosophy I see over there: it is okay to take from taxpayers around the country and drop the money into a certain area regardless of whether or not the project is viable. Then they can count on a certain number of votes and say “We are looking after you and this is how it is going”.

I will run through a bit of the background on the Devco situation, but I think it epitomizes what this philosophy is doing in certain parts of our country. We just cannot dole out dollars to projects that really are not viable in the end result and expect to have anything but calamity in the final analysis.

I will comment as well on the manner and the nature of debates and the priority in the House of Commons on debates. I find it more than interesting that the government has allowed a little over five hours debate on Devco today. Yet the official opposition had four and a half hours debate allotted to it for the Nisga'a agreement. The Nisga'a agreement has ramifications constitutionally. It has ramifications on many other issues of all Canadians, including a referen-

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dum that has been denied the people of British Columbia. Yet we get four and a half hours debate on that issue. We are expected to come in here and be quiet about having five hours debate on another issue. It just escapes me.

I will give a little background about Devco. In 1966 the Donald report commissioned by the federal government recommended a downsizing of the Cape Breton coal industry with 1980 as the target for production to cease. Let us just think about that. In 1966 politicians said that the coal mining industry in Cape Breton had to be downsized and that hopefully by 1980 they would be into other productions, other issues, manufacturing or some other opportunities that should and could arise in Cape Breton.

Here we are in 1999 and we are struggling after \$2 billion plus being thrown at that project. The government is still sitting in the House of Commons debating what to do next. It should resonate throughout the country that the government in 1966 should have said, therefore, that if it was to downsize by 1980 these were the following alternatives that it planned to undertake so that as it downsized it increased or upsized industry in other alternative areas.

• (1525)

No, it waited till 1980, as I will show, threw more money into the project, did not know where it was going, did not look at alternatives, and then said in 1998 that it had to be closed down. It said it would sort of close it down. Now the employees are saying that they were propped up since 1966 and are now being thrown out in the cold.

What are the options? Look at Cape Breton. Ask the people of Sydney if the government has invested in lots of other opportunities. The answer is no, no long term sustainable opportunities.

That is what they get when they rob Peter to pay Paul and count on the support of Paul. I think Paul's support over there is running very thin. That is precisely why in Cape Breton they no longer have Liberal MPs. They have given up on the idea that they will just keep propping them up with money, keep helping them out, but they will not give them anything in the end.

In 1966 as well Prime Minister Pearson and Nova Scotia Premier Robert Stanfield announced a \$55 million package to phase out coal mining in Cape Breton over 15 years. The province agreed with it, it was going to phase it out, and then phase out money was put in place in 1966. In 1967 Devco was formed. That incorporated the Dominion Steel and Coal Company and the Nova Scotia Steel and Coal Company.

All of a sudden in 1970 we saw an expansion in Cape Breton in the coal industry. The Prince and Phalen mines were opened. Some

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mines were opened. That was good. It kept them going, but four years before they were to be downsized and closed.

In 1989 Ottawa announced a Devco subsidy of \$30 million per year to the end of 1995. Where in the name of blazes is the plan over there? What is wrong with them? Do they not think, all five of them who are here? It is amazing how all of a sudden the Liberals come back into power and say they knew they were to phase it out but, gee whiz, they have not thought about anything else those folks can do down there. Then they dream up some more subsidy money and keep it going, prop it up until the end of 1995.

Then they said the company, Devco, would sink or swim on its own. They said that in 1966. They said that in 1970. They said that in 1978. Here we are today in 1999 with all four of these guys sitting here trying to listen. Where the heck is the government?

The Deputy Speaker: The hon. member for Langley—Abbotsford knows that he should not refer to the presence or absence of members of the House. Tempting as it is, and I have felt the temptation myself from time to time, I know he will want to resist that temptation.

Mr. Randy White: It is tempting all right. The light is on but no one is home. That is the problem. They are all smiles and chuckles. If there were three of them sitting here, I would have something to holler about. The problem is there is no damn plan from members of the government. There are people counting on livelihoods down there. They sit in here, what is left of them, and they smile.

In 1966 they said they would phase it out. In 1974 they confirmed the phase out. In 1978 they said phase out.

Mr. Clifford Lincoln: You're just a big mouth, a loud mouth.

Mr. Randy White: He says I am a big mouth. This country needed a few big mouths to stand up to a government that robs Peter to pay Paul, that has no damn plan whatsoever for the people of Sydney, Cape Breton, or anywhere else in Cape Breton. We are sick and tired of it. The government throws bottom dollars at it. It throws taxpayer dollars at it. As an end result, it throws them a couple of bones and says go away. That is what the problem is.

• (1530)

Now I am being called a hypocrite. Let us read along and see if I am a hypocrite.

Is hypocrite in the books? Is the member allowed to say that?

The Deputy Speaker: The member should not use the term. I did not hear the hon. member say it, but I am sure he did not mean it.

Mr. Randy White: Talk about hypocrites. These are people who say they will throw them a couple of dollars and in the end there is nothing.

In October 1998 the roof fell in at one of the mines. In January 1999 it came down to this. Here is the brilliant plan after 1966. After 33 years here is what the Liberals said. They announced that they would sell the Prince mine and close Phalen, a move which would put 1,100 miners out of work. The people of Cape Breton should not have been surprised. They were already told in 1966 that this would happen in 1980.

Why on earth did we throw \$2 billion into something which was going to be phased out beginning in 1966? Would it not have been a lot more reasonable for the government to be honest about it all and let the people know it was not a winning proposition and perhaps we should diversify? I know that is a strange word for that group over there. Maybe we should diversify. Maybe we should look for alternatives. They find that to be strange.

I will be splitting my time. How much time do I have left, Mr. Speaker?

The Deputy Speaker: The hon. member has one minute.

Mr. Randy White: I would like to say a couple of things in a minute to all five members on the other side of the House.

In August 1999 Devco's annual report showed that it had one of its worst years on record, suffering a \$299.7 million loss in 1998-99. Is that a surprise to anybody when in 1966 the government said it would be phased out? The point I am making is that the government does not have any idea of what is a long term plan. The government does not have a national strategy on natural resources. The government has one thing only on its mind: a government that robs Peter to pay Paul can always depend on the support of Paul. Is that not accurate? Is that not what this is about? There was a lack of planning and now there are 1,100 people wondering what is going to happen tomorrow.

An hon. member: Mr. Speaker, perhaps we should ask for a quorum count.

Mr. Randy White: Mr. Speaker, I note that there are very few government members in the House. I would like to have a quorum count.

The Deputy Speaker: Call in the members.

And the bells having rung:

The Deputy Speaker: I see a quorum.

• (1535)

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, I would like to pick up where my colleague left off. He talked about the

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need for a plan. Perhaps members will recall the expression “If you fail to plan, you plan to fail”.

It would seem to me that this is a perfect example of that. The government has had no plan in place. It started back in 1966 under the assumption that it was going to phase-out coal mining in Cape Breton, and yet it has continued to hire, it has continued to open new mines and it has continued to give the impression that coal mining would be a viable way of life and a reliable occupation.

It took years and years. The plan was that it would take 15 years to shut down coal mining in Cape Breton. One would assume, albeit incorrectly in this case, that if the governing was going to shut down something as important to the region as a basic industry like coal mining it would come up with some sort of a plan to diversify the economy or to prepare people for the eventuality that there would be no coal mining. I think it was Forest Gump who said it best: “Life is like a box of chocolates”. The people of Cape Breton did not know what to expect. They did not know what they were going to get. They did not know from day to day or week to week what was going to become of the mining industry.

We are getting this mixed message. The people of Cape Breton always got the mixed message that the government was going to phase out coal mining, and yet the mines remained open and they continued to hire people. That is totally unacceptable.

Eleven months ago, in January, the government announced plans to shut down one Devco mine and to sell the other. That is not too bad. Let us see, that was 1966 to 1999. That is only 33 years. I think the government acted fairly quickly on Prime Minister Pearson’s plan. It only took 33 years. When the decision was made, it was as though the government pulled the plug in the basin and let everything go at once. What a tremendously shortsighted, poorly thought out, ill-advised plan this was. As a matter of fact, this is so bad that nobody could call it a plan. At the very best we could call it crisis management.

This reminds me of other things that have gone through the House. Our House leader, the member from British Columbia, spoke a bit about this in his remarks. We seem to be getting all kinds of time to discuss this in the House today, which is appropriate, but we have had other things come before the House, which have run into the billions of dollars, on which the government has moved closure and time allocation so that members on this side of the House did not get an opportunity to express their concerns or thoughts.

I wonder if it is only a matter of an hour or so before the government House leader comes rushing in and says “That is enough of this stuff. We are going to shut you down”, because it has to deal with the tiddlywink act or some other tremendously important piece of business. It seems to me that we are dealing with

the lives of at least 1,100 people in Cape Breton and there has been no alternative presented or suggested to them.

• (1540)

I want to talk a bit about the whole aspect of being an underground miner. I cannot imagine the bravery it must take day after day to go down into the mines, even the mines which have every safety precaution, especially those which are located under the ocean. I would think that people would have to have fairly good nerves and great resolve to be an underground miner of any type, but when the miner works underneath the ocean, a bay or whatever, it seems to me it would take a particularly strong individual to put up with that kind of work and that possibility of danger.

Over and over again we have seen that there have been cave-ins, slumps and sags. I do not consider myself to be claustrophobic, but I am sure that if I was in a shaft someplace and the roof caved in between me and the escape route, I would not be able to make that claim. Claustrophobia would set it regardless of my resolve. I admire and marvel at people who can work under those conditions.

Having said that, I want to assure the House that I am sure the people of Nova Scotia and Cape Breton are very adaptable and diversified people who could make a living in many different ways. They are talented and they have many things at their disposal which they could apply if they were given a chance.

In this instance the government has chosen only to pour money into a mine that should never have been supported. I think the original intention of phasing out the mine in 1966 was probably a good one in that there was co-operation and agreement between the federal and provincial governments. The question is, why did the government not act on it then? Instead it nursed this along to the point where people got their hopes up and then at the last minute it just simply pulled the plug, leaving the people high and dry.

I look forward to hearing what my colleagues have to say in regard to this bill. I have been listening to hon. members from Nova Scotia and Cape Breton who have talked very passionately about the problems. I am certainly hopeful that the debate today will have a great amount to do with the resolution of this whole situation in Cape Breton.

Mr. Brent St. Denis (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Speaker, I listened carefully to the hon. member’s comments, as well as the comments of his fellow Reformer.

The essential message coming from both members is actually the opposite of what we hear from the NDP, which is “Why were the coal mines not closed down 15 or 20 years ago?” There are those who would argue why we would even consider any option other than keeping the mines open. It proves again that a Liberal government is a government that can bring balance to the debate. We are seeing the two extremes and at the end of the day the

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position of this government will be seen as the right decision which will ensure that the future for Cape Bretoners is a diversified future which will rely on the creativity and the innate ability of Cape Bretoners.

• (1545)

There has been a dearth of ideas across the floor on what members of the opposition would do if they had the financial resources that are being made available in this case. What ideas would they bring forward to help diversify, prepare and assist the Cape Breton economy for the next century, indeed for the next millennium?

I would ask the hon. member to put aside his view of the history and give us his vision for the future. After all, this debate should be about the best ideas that can be put in place for Cape Breton. The panel has been asking for those ideas from the community. What ideas does the hon. member or his party have to ensure that the very best outcome possible can be found?

Before the member answers, I would advise him that in my riding of Algoma—Manitoulin in northern Ontario, the community of Elliot Lake suffered massive mine layoffs not too many years ago. Something like 4,000 jobs were lost in a community of roughly 16,000 people. I do not want to make comparisons as each situation is unique but if any Cape Bretoners asked me for some of the ideas that were attempted in Elliot Lake, I would be glad to share them.

I look forward to hearing from the member about any ideas he or his party might have to assist in moving the whole matter forward.

Mr. Dale Johnston: Mr. Speaker, I do not know that I agree with the member opposite that the government is taking a balanced approach. I do believe the government is taking a very, very slow approach.

It was the Liberal government in 1966 that made the assumption and set forth the so-called plan to phase out mining entirely in 15 years. Here we are, more than twice that length of time since then, and the Liberal members have reached no conclusion except to suddenly look at their watches and say that today is the day to cut everything off.

There has been no preparation as far as diversifying the economy is concerned. The people in the Cape Breton area are very capable of doing other types of work. It is just a matter of providing some incentives and markets for the people that live there. As far as giving specific solutions regarding what the exact route to take is, I could not do that in the little bit of time that is allowed to me.

Suffice it to say that the approach that has been taken to this point has been devastating to the people who have worked there. Since 1966 people have based their careers on the possibility of

working in a mine or a mine related field. In 1999, some 33 years later, the government simply cuts it off.

Mr. Peter Mancini (Sydney—Victoria, NDP): Mr. Speaker, there is shame in the House today. There should be shame and I think there is shame on the part of some government backbenchers, perhaps even on the part of some cabinet ministers of the Liberal government.

• (1550)

There ought to be shame first of all because a fraud has been perpetrated on the people of Cape Breton. The government says that in January of this year it came to a decision to disengage itself from the mining industry in Cape Breton.

When my colleague from Bras d'Or introduced into the House of Commons a cabinet document dated 1995, there were howls and protests by the government. The government said, "We weren't planning to divest ourselves of a role in Cape Breton in 1995. That was just a study document".

I live in Cape Breton. I remember in February 1995 the current Minister of Finance giving an interview in Halifax. Oddly enough he was asked a question on economic recovery in Canada. Canada was going through a recession. His words to the interviewer were, "I think we will find our way out of this economic recession in Canada and Canada will prosper, but for Cape Breton I don't see that prosperity".

At that time those of us in Cape Breton wondered why the Minister of Finance might make such a comment. Later on that year, when faced with miners who wanted to open Donkin mine, who wanted some kind of assurance from the government as to a plan for Devco, the former member of parliament for Cape Breton—East Richmond said, "There are no rabbits in the hat, boys. I can't do anything for you".

I was a citizen at that time; I was not a member of parliament. We wondered why that minister who represented Cape Breton did not have an answer. Now we know. We know because the then Minister of Natural Resources was talking of privatization in 1995. I submit that the Minister of Finance knew in February 1995 that there was not going to be a coal industry in Cape Breton. I think the then Minister of Health knew in 1995 that there was not going to be a coal industry in Cape Breton.

The only people who did not know were the Cape Bretoners. Even though they had a Liberal member of parliament at the cabinet table, even though a Liberal member of parliament represented my riding, even though a Liberal member of parliament represented what was then Highlands—Canso, the only people who were not told to get ready for economic adjustments were Cape Bretoners. There has been a fraud and the shame is justified.

There is another reason for shame. The Liberals are abandoning not only the miners and the people of Cape Breton with Bill C-11,

but they are abandoning their own history. They are abandoning their own legacy.

Devco was the child of Lester Pearson. It was conceived and drafted by a Liberal government composed of people like Allan MacEachen, Romeo LeBlanc and Liberals who back then said that they saw a role for government in compassionate help for regions of the country outside the Ottawa valley.

There is a statue behind the west block of Prime Minister Lester Pearson. If his spirit is in the House today, it weeps at the hypocrisy of the government. Let me read some words. These are not my own words. These are the words of Lester Pearson:

The federal government realizes that the Cape Breton coal problem is essentially a social one. It is because of its awareness of, and concern for, the well-being of individuals and their communities that the federal government is prepared to assist, on a massive scale, the transition of the areas from dependence on a declining natural resource to a sound economic base.

It was to be on a massive scale because government understood the role and the history that Cape Breton miners have played in building this country. He went on, and I shame members further:

The Government of Canada and the government of Nova Scotia believe that a rigid adherence to a fixed timetable to reduce the level of coal production might involve unnecessary hardship on the dependent communities.

• (1555)

Rigid adherence to a fixed timetable. What do we have from the Prime Minister's Liberal government? An announcement in January that come hell or high water the coal mines will close in December 2000, a fixed agenda regardless of what it does to the communities. That is hardly in the spirit of Lester Pearson. Let me continue to shame the members:

Consequently, the rationalization of the mines will be related to the success in the introduction of new industries. The crown corporation will be instructed to give full consideration to the needs of orderly adjustment, including the implementation of a generous early retirement plan for the miners as recommended by Dr. Donald.

A generous early retirement plan for the miners. They are the people I went to school with. Today, at 42, 43 or 45, some with one eye because of an accident in the mine, some with one shoulder a little lower than the other because of a roof fall-in, some missing a finger, they are told they will get a severance package taxable by the Government of Canada and they should retrain. That is hardly in the spirit of Lester Pearson. Shame on the Liberals for that.

The contrast is so dramatic. If people in this country who used to vote Liberal wonder whether they can find a home in this right-wing government, that should tell them. If anyone thinks that the Prime Minister's shuffling of a few cabinet ministers and talking about a children's agenda is a pretence to the return of the Liberals of old, they are right. It is a pretence. Bill C-11 which will cause

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undue hardship to the miners in Cape Breton is a testament to the fact that the Liberal Party lost whatever soul it had under Lester Pearson. The present Prime Minister, who was brought into politics by Prime Minister Pearson, should be ashamed.

There is another aspect. I credit Allan MacEachen as he thought he could enshrine some sense of responsibility on the part of the government. Section 17 of the Cape Breton Development Corporation Act was passed in the House of Commons. That put the words of Lester Pearson into law. It reads in part:

(4) Before closing or substantially reducing the production of coal from any coal mine operated by it, the corporation shall ensure that

(b) all reasonable measures have been adopted by the corporation, either alone or in conjunction with the Government of Canada or of Nova Scotia, . . . to reduce as far as possible any unemployment or economic hardship that can be expected to result—

What happened to the Liberal Party that it would take that section out of the new proposed legislation? What happened was a fundamental shift in ideology. There was a fundamental shift in thinking. The Liberal Party no longer believes there is a role for the government in communities like Cape Breton.

Shame hangs on the House and it hangs on the Liberal Party. My only hope and I think the hope of Cape Bretoners is that some backbenchers who still adhere to what was once a Liberal philosophy will muster the courage of the miners and stand up against their government when it comes time to vote on this bill.

Let us talk about the people who are affected by this. I have talked a little about the men who for the most part are courageous. They have been talked about in debate here. They are the draegermen who went down into the Westray mine to recover the bodies of dead miners, risking their own lives.

• (1600)

We are a people, a distinct people. We are a people with our own history, our own culture and, in some ways—if one talks to my mother-in-law or my mother—we are a people of our own language. We have preserved the Gaelic culture and the Gaelic language. We are a people who, because we were fishermen, farmers and miners, were never dependent on the government but understood the interdependence of communities one on the other. That culture today is under attack by the Liberal government with this bill.

I was delayed in the airport the other night and wandered through the bookstore. I saw many books on self-help: how we need to reach out to each other; how we need to understand each other; and how we need to be affectionate with each other. It made me think of the miners who live in the communities that I represent. When I go door to door, these people tell me "I do not want much, I want to be able to keep my home here". Their homes are not \$250,000 homes

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in Toronto. They are \$30,000 to \$40,000 homes in New Waterford, Glace Bay, Reserve Mines or Sydney Mines. They want to stay in those homes because four blocks away is a mother who is getting older and needs to be looked after. Three blocks down in the other direction are brothers who go underground with them, protect them and look after them. Their kids can go to school and stop at any house and find a relative or a friend.

The self-help books say that this is the kind of community we have to build. I say that we have it but the government is tearing it asunder. The government is saying to those men "move".

The speaker who preceded me said "Oh, I know the people of Cape Breton are resilient, adaptable and can be trained". Yes, we are. However, let me propose to the members of the House that tomorrow I will take away their privileges, tomorrow they will lose their seat, tomorrow whatever professional degrees or whatever work they did will not matter, they will go down in the coal mine and learn how to dig it. They should go ahead and adjust accordingly. They should move from Rosedale, from Toronto or from Calgary because that is what economic adjustment is all about. They should sell the house even though the market is depressed. That is what economic adjustment is all about. That is what the bill is all about.

The history of the coal mining communities in Cape Breton is a long one. It has been recited here over and over again. There seems to be some kind of thought that there was government dependence. We heard the figure of \$1.6 billion that has been spent in Cape Breton on Devco. The miners in Cape Breton worked for private companies until the 1960s and then began to work under the crown corporation. Inasmuch as the government spent \$1.6 billion, it took back \$6 billion in taxes. That is not a bad return. It is not dependence, it is work.

What did we ask for in return? We asked for pensions. I do not think that is unfair. We asked for some readjustment. We asked for some economic development money.

The miners in Cape Breton have contributed to the building of the country from one coast to the other. They did not all just stay in Cape Breton and go underground. They went to Flin Flon, northern Ontario and Elliot Lake. Why did they go? It was because the companies knew they were the best damned miners in the business. They knew that if they needed someone who could do explosive work, Cape Breton miners would respond and would risk their lives, which some of them did, to build this country.

I began this address by referring to the statue of Lester Pearson behind the West Block. There are four other carvings that the members of the House of Commons should look at the next time they wander out into the lobby.

• (1605)

Above the ceiling in the lobby of the House of Commons, in the four corners which is a testament to their prominence, are four carved portraits: One is a farmer because the farmers were recognized as having helped build the country; one is a fisherman, and we all know what happened on the east and west coasts to the fishermen who helped build the country; one is a woodcutter, a carpenter who helped construct and build the country; and, in a place of honour under the Prime Minister's office, is the face of a miner because there was a time when miners mattered to the government. There was a time when it was recognized that those people contributed.

Today we stand in the people's House, in the House of commons, and debate how to make them adjust in the new economy.

Shame on the government. Shame on the policy. The shame will follow it. The government will take its place beside the Dominion Steel and Coal Company which called in the army to shoot the miners when they tried to strike for a decent wage. The government will place its name alongside those companies that exploited and then put out of work the Cape Breton miners.

We will survive as we always have. However, I do not think the Liberal government should come knocking on the door of Cape Breton. It might be strange to see the Prime Minister who is now out of the country. It is interesting that since the whole package was announced, we have never seen the Prime Minister visit Cape Breton except maybe for a game of golf. When he did that he did not do it in the industrial heartland. It would be interesting to see the Liberals come to Cape Breton and speak to the miners eye to eye and tell them that they have to adjust to the new economic forces because this is the new Liberal Party.

It is a shame on the House, a shame on the memories of Liberal cabinet ministers for whom Devco represented an ideology and a shame for the people in my riding.

Mr. Brent St. Denis (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Speaker, as with previous speakers, I listened carefully to the member for Sydney—Victoria who spoke passionately about the people and communities he represents. That is what we expect in the House and we appreciate that.

That being said, there was a certain element of exaggeration in his comments, although he did not exaggerate the importance of this issue to the communities and the miners. I come from a mining area myself. I live in Elliott Lake and I represent 60 communities, many of which have a history of mining. Some are still in mining today. Mining is important to our area.

It is important that a few things be clarified. One of the most important points is his reference to section 17(4). He was lamenting that Bill C-11 would delete all of section 17, including section 17(4), from the bill. He knows, as all members who are

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following the debate know, that will have no bearing whatsoever on the grievance. I will not comment on the grievance except to say that the grievance process will continue. The removal of section 17(4) will have no bearing whatsoever. The minister said as much in his speech.

As far as the economic development responsibilities of Devco, he knows that many years ago that responsibility was transferred to the Enterprise Cape Breton Corporation. He tried to make a good point but he failed on facts.

He mentioned Mr. Pearson who was the member for the riding I now represent. I am proud and honoured to represent the area that he represented. He made reference to a particular book which stated that the government at that time would not adhere to a rigid timetable.

• (1610)

Well, I hardly think that 30 years later suggests that a rigid timetable was in mind at that time.

I again emphasize that the government has found a balance between the views on the left and the views on the right of those who would say “let us look to the past as we go to the future” and those who would say “we should have closed the mines down 20 years ago”.

Mr. Peter Mancini: Mr. Speaker, I am glad to respond to this because I think the member’s history needs a little correcting.

There is something the member failed to mention. He talked about a 20 year timetable and the 30 years it took to phase out the coal industry, which was the original intent, but the reality is that was the intent and the government began to take steps in that direction.

What happened in the 1970s was that there was a determination made in 1974 and again in 1978 to expand the coal mines because it was necessary for the betterment of the country. This government, which is now phasing out the coal industry, did make an original plan in the late sixties to phase out coal, but then it came into my community and into my schools saying that there was a 25, 35 or 45 year career path in the coal mining industry. Young people believed their government members who said, “Come to work for us and you will have a job for life”. That is the covenant that was made. That is the bargain that was struck.

When it comes to talking about history, let us not forget the handshake that was extended to the young men of Cape Breton who were told that Canada needs their coal and that they would have a job there forever.

The member is right that the original intent was to phase out the coal mine, but for him to say that it took 30-some years, there is a little interruption there and that is when a promise was made. It

was the generation of today’s miners’ fathers who were told in the sixties that the coal mines would be phased out, but it was the next generation who was promised something different and they were promised that by Liberal governments.

I take the member at his word. I think he is proud to represent Lester Pearson’s former riding, but I suggest he reread some of the speeches of his predecessor to see what he would have done in this situation.

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I listened carefully and I certainly appreciate the comments of the member. Being a native Cape Bretoner, certainly his comments are from the heart and very relevant. He gave great voice to the concerns of the working people and the miners of Cape Breton, but there are a couple of areas I am still kind of confused about.

What exactly is the position of the member and his party when it comes to the future of coal mining in Cape Breton? Does he support the closure of the coal mines or does he not?

Further, I would like to hear the member’s views on the proposal by the hon. member for Broadview—Greenwood who expressed such confidence in his minister’s ability to turn Cape Breton into the Hollywood of the north. We have some wonderful, talented people from Cape Breton, certainly Hank Snow, Rita MacNeil and some others come to mind, but is that the future of Cape Breton? I wonder how much confidence the people have in that kind of a proposal or in the idea of turning Cape Bretoners into bureaucrats working for the government, as has been done in so many other parts of Atlantic Canada.

Last, what would his party’s position be with the idea of the private sector being allowed to use the world-class pier in Sydney, Nova Scotia, which belongs to Devco, for the import and export of value-added products from the massive oil and gas reserves off the coast of Nova Scotia and Cape Breton and using the free trade agreement to access the markets in New England for those products that would perhaps be manufactured in Cape Breton and Nova Scotia?

• (1615)

Mr. Peter Mancini: Mr. Speaker, it is a long question and much to cover. Let me start by saying that nobody in Cape Breton is saying that the coal industry has to go on for ever and ever. The reality, however, is that we were told on January 11 there would be a shutdown of the industry. We were told that there would be community consultation in that regard. Sixteen days later a package was presented with no consultation, with no discussion. It simply was done as is.

As to the member’s comments about talented Cape Bretoners, he mentioned some of our singers and songwriters. I suggest he read a

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new best seller called *No Great Mischief*, written by Alistair MacLeod from the coal mining town of Dunvegan.

The title is an interesting one. It comes from General Wolfe who, when he used the Highlanders in the battle on the Plains of Abraham, said "Send the Highlanders over first; it is no great mischief if they fall". I think Cape Bretoners have felt for a long time that the attitude of the government is to send them over the wall first; it is no great mischief if we fall.

Mr. Chuck Strahl (Fraser Valley, Ref.): Mr. Speaker, it is a pleasure to speak to the bill and specifically to talk about the future of Devco and some of the problems in Atlantic Canada. I have been listening with interest today to some of the debates by people who live in the area. I respect much of what they have had to say, especially the parts that dwelt upon the work ethics and the good character of the people of Cape Breton.

I used to work in the logging industry and always thought that was pretty tough, but from the times I spent going down in mines to have a look at them and so on I was very impressed with the hard work and the good work ethics of people who work in such situations. There is not much doubt about that. The members who are closely associated have been speaking on that. Their tributes to the people in their ridings are well taken.

Obviously we have to be concerned about those workers and those people, but let us do it without doubting the hard work and the work ethics of the people in the area. The bill does not bring that into question. The question is not about whether or not these people are hard workers. Obviously they are. It is a tough life and it is a tough type of work.

We are wondering about and debating today the best way to create long term wealth for the people in this area. What is the long term answer? Is it to continue along the path that has been set out before them with Devco for the last 33 years? Is it in the best interest of both the workers in the area and of Canadian taxpayers in general to subsidize this industry to the tune of a couple of billion dollars?

I would argue that it is not. It has nothing to do with how hard they are working. It has to do with the quality of the coal they are mining and the impossible situation they are in. They will never be able to make money in that pit. It will never happen. It cannot happen.

As I was preparing my notes I thought of the situation in British Columbia where successive governments propped up an area of my province called Cassiar. We can all tell stories of what happened in Cassiar, but the similarities are fairly consistent with what is going on with the people affected by the closure of Devco.

Cassiar was propped up year in and year out for political reasons. Millions upon millions of dollars were sent into that area in an

effort to prop up the local economy, to keep the mines open, and so on. It just did not work. It was a good effort and it was a good heartfelt concern for local workers.

● (1620)

The sad fact is that at the end of the line when finally the subsidies ran out not only did the workers lose their jobs. That happened, but because they had been strung along so long with the process of a never ending supply of government grants coming their way that when it finally shut down they not only lost their jobs. They lost everything. They lost their homes, their businesses, and what they felt was their future. They lost it all because it was an unsustainable level of government subsidies. It was just a matter of time until it was cut off.

I cannot remember how long Cassiar was subsidized, but it was certainly in excess of 20 years. When they finally pulled the subsidies it was a harsh pill for locals to swallow because of the huge disruption not only in their work lives but in their overall lives. Most of them had to move away.

I do not think we can make the case that continuing subsidies at the level we have been used to in Devco's case is sustainable in the long run. There are 1,100 workers involved. There are hundreds of millions of dollars in losses in a single year. We cannot sustain that level of subsidies. It is just not possible.

The question needs to be asked: When is it appropriate to subsidize a business? When is it something federal or provincial governments should entertain? There is a very short list of circumstances where government subsidies are appropriate.

I think first of a natural disaster. When the floods hit the prairie provinces and completely wiped out the crops in quite a large area it affected prairie farmers through no fault of their own in a one time disaster situation. They deserved our help. It was not their fault. It was nothing they did. Flooding is not a routine yearly problem. They deserved some help from us to tide them through that natural disaster. An earthquake would be another example where the government could step in and say that this is an odd situation with very severe economic hardship.

Another example is when there is systemic and long term inappropriate foreign subsidies that distort the trade situation. That is not the case with the coal industry. That is not why this mine cannot make money. It has to do with the quality of the coal, the access to markets and so on. It is not the workers. It is the fact that they are in an untenable economic situation that cannot be sustained. Again, it is not appropriate to subsidize it.

Why then has the government over the last 30 some years continued to subsidize this industry even when it seems to be hopeless? It is because successive Liberal and Conservative governments have felt that the best way to secure a vote in eastern

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Canada, in Atlantic Canada, was to throw money into subsidy programs. If it was working for unemployment reasons then every person in Atlantic Canada should have two or three jobs because they have spent like crazy in one bad government decision after another which has not resulted in increased employment.

Unemployment has been the highest in Atlantic Canada throughout my lifetime because the government subsidy programs the Liberals and Conservatives have been so in love with have guaranteed that their industries remain inefficient and uncompetitive for generations on end.

They do not diversify. They do not build the infrastructure necessary. They do not get into the business of the 21st century because they are looking for the subsidies of the 19th century. That is why they cannot break out of the endless circle of government subsidies combined with high unemployment.

When I was in Atlantic Canada last there was a headline in one of the Atlantic magazines: "Government Subsidies: Toxic Waste for Atlantic Canada". That is what they called it, because wherever the subsidies went they showed an absolute corresponding increase in unemployment the more subsidies the government put into an area. Is that not ironic? We would think we were helping people by giving them money. We would think that if another \$100 million could be thrown into this area surely everybody would have a job, but absolutely no correspondence could be shown between high government subsidies and high unemployment. That is the case.

• (1625)

People around the world have been able to break out of this syndrome. It can be done but it takes some leadership and some vision on the part of the government. The inappropriate government subsidies have to be cut when governments start to pick winners and losers in the free market system. They have to give generalized tax relief to allow businesses to thrive in a free market system. Unless we are willing to throw money at the free market system indefinitely—and we are seeing today that is not possible—the alternative is to lower taxes, lower bureaucratic red tape and allow businesses to thrive on their own.

We do not have to go far south from Atlantic Canada to see the juxtaposition between a high subsidy and high unemployment zone, which is unfortunately our Atlantic provinces. We do not have to go that far south to a physical environment that is not much different to see that the unemployment rate is much less, the employment rate is much higher and the standard of living starts to increase.

We could even go further south, Georgia for instance, and see what it did. It was once the basket of the United States economy. I have a clipping entitled "Atlantic Canada should take a financial

lesson From Georgia". The head of the program was in charge of giving out research funds. He could help people research and he could do R and D work, but he was not allowed to give out any government subsidies in Georgia.

He was commenting on the comments of the former Liberal Premier of New Brunswick, Frank McKenna, when he called on an end to subsidies to Atlantic Canada after he retired. I respect Frank McKenna somewhat because he did have his head screwed on straight. He knew the long term answer was not increased government subsidies because they are always subject to patronage, always subject to abuse, and they always picked winners and losers in a marketplace where they have no business being.

Mr. McKenna saw how Georgia, Ireland and other places around the world with high taxes and high regulatory government regimes had turned it around almost overnight by reducing taxes, reducing regulatory red tape and allowing businesses to thrive based on the free market system.

I think there is hope for Atlantic Canada. One day it will rise from the high unemployment situation it is in. It will not be because of government subsidies. It will not be because people are buying votes with a guarantee to keep a mine or a certain sector open. It will be because they will get their act together on the tax issue. People like Frank McKenna will come forward asking for an end to this arbitrary subsidy program and move toward a free market system.

That is not to say the public does not have an interest in it or that governments cannot have an interest. I think there will be an increasing need for public-private partnership whether we are talking about ports, airports or facilities of different sorts. We will be looking increasingly at public-private partnerships. Of course public money will be involved. We will also be looking for private money because we will need more money than we could ever possibly spend out of the tax purse. We will need private investment to make things shine in Atlantic Canada.

We will need to sort out basic things in Atlantic Canada as in the rest of Canada like the fallout from the Marshall decision as an example. It did not take very long for the Marshall decision to ripple right down into the Sable Island gas issue. It took only a couple of weeks after the decision for another appeal board to strike down the consultation side, on whether or not they consulted enough on the pipeline for the Sable Island gas project. The board said that they had not consulted broadly enough with the Mi'kmaq people, that consultation was inadequate and that they had to start over again. They better get that settled.

• (1630)

Atlantic Canada has a very bright future. Its greatest export over the last generation has been its young people. It has a chance to

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repatriate not only those young people, but to woo people from across Canada and around the world if it has a vibrant economy.

Not only Sable Island gas, but the new gas discoveries are going to be the basis of a new, broadened and more productive workforce. It will not be based on government subsidies but on the fact that it will have access to materials, natural resources and the technology that is all part of the modern natural resource industry.

It is going to have to quickly settle this jurisdictional problem of whether we have equal access to natural resources, or whether we have access based on ethnicity or race. That issue has to be settled. I am not saying it is absolutely one way or the other. I am saying that the government should not leave that open as it is right now. The federal government has basically abdicated its role and shrugged its shoulders.

The Minister of Indian Affairs and Northern Development has said that he thinks it means open access to all natural resources, including wood products and access to the mines in Atlantic Canada. That is quite a statement, but I do not think the people in Atlantic Canada, who are looking to finally break out of this high unemployment and high subsidy business they have been in for years, think that is the way. They want this clarified.

People in Atlantic Canada want to see where we are heading as to the allocation of natural resources. They want to see whether we are going to divvy it up based on ancestry or based on the need to access the products equally among all Canadians. That will have to be settled in Atlantic Canada. Once again that will do more to take that uncertainty out of the system which will allow the free enterprise system to do its part. Hopefully in my lifetime, and hopefully within the next decade, it will result in a reversal of the sad fortune Atlantic Canada has been facing for quite some time now.

In case people are wondering why I am so hip on this idea that grants, loans and so on should be given based on need rather than on political expedience, I will refer to a couple of newspaper articles which were written back in 1993, the year I was first elected. The articles extensively quote the Prime Minister who is in his home town. He talked about government grants. This is the problem with them. In general they do not go toward the purpose originally intended.

The Prime Minister said "You vote for the Liberals, Saint-Maurice wins with Jean Chrétien". What did it mean? An October 1993 article reads "At each public appearance in the region, Wednesday night and yesterday, the Prime Minister reminded them that he will probably have enormous clout as Prime Minister to pull the government strings. He said 'When the dossier for Saint-Maurice lands on a cabinet minister's desk, need I say more', he says to rounds of laughter during the meeting". That is a nice make work project. When a dossier lands on his desk or a minister's desk. And

it says across the top that this is for Saint Maurice. "Need I say more, it is a done deal. It is going to be good for Saint Maurice". Why? Because they need it? Because it is based on objective criteria? No. It is based on buying votes.

Here is a headline: "I'm not a traitor, says the Prime Minister, I am Santa Claus". That is an interesting concept for a prime minister. I do not think he is a traitor, but he said that he was Santa Claus and that he had the answer. "If you know me" says the big guy, "I can get you some grants. When it comes across my desk, it is a done deal". When I first saw that, I thought that may be pushing it. Maybe that would not really happen. Maybe he was just joshing.

Let me run down a list of what happens with government grants when the Prime Minister is allowed to pull the strings.

• (1635)

Mr. Brent St. Denis: Mr. Speaker, I rise on a point of order. I would ask for your judgment on whether the member's comments are relevant to the very important debate on Bill C-11.

The Acting Speaker (Mr. McClelland): As the parliamentary secretary is aware, I just replaced the Deputy Speaker not moments ago. However, knowing the opposition whip and his knowledge of parliamentary procedure, it would seem utterly unbelievable that his comments would not be relevant.

Mr. Chuck Strahl: Mr. Speaker, it is very relevant when I talk about grants in the Prime Minister's riding because we are talking about job creation grants. Devco has been operating for the last 33 years with \$2 billion in grant money from successive governments. During that time governments have tried to argue that job creation grants, \$2 billion worth, are an excellent way to promote full employment. It is \$2 billion later and now everybody is going to be laid off.

As another example, the same thing is happening in the Prime Minister's riding. I will quote myself. It is very relevant. It made the front page of the *National Post* a week or two ago. Let me just go over this again for the benefit of the House.

There is only one job creation grant in the entire country that ended up in a trust fund over the transitional jobs fund, one grant in the entire country. That trust fund proved to be illegal. It happened in only one place and that was in the Prime Minister's riding. It benefited only one person and it was not Santa Claus. The person it benefited was Claude Gauthier, a man who bought \$500,000 of the Prime Minister's land and his golf course. He gave \$10,000 to the Prime Minister's personal re-election campaign. He got a \$6 million CIDA grant. That would all be fine, but the problem is that the jobs created in that area went from 115 to 45.

Grants like this do not create jobs; they create dependency and they create patronage. That is why we are in the situation we are in today, excessive government grants over a long period of time with no long term plan to get out of it.

Mr. Brent St. Denis (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Speaker, I believe the member for Fraser Valley was straying a bit, but I respect your ruling that his comments were relevant. I am sure there would not be very many members, if any, on this side of the House who would think they were.

Earlier on when he was a little more relevant in his comments he referred to the state of Georgia in the U.S. and the measures taken to spur individual creativity and investment. I suggest that his comments in that regard would best be given to the province of Nova Scotia because in his example that would be a state jurisdiction and in our system, the equivalent would be the province. I recommend that he pass those ideas on to the province.

The member's comments highlighted very graphically the difference between the left and the right and the further proof to my thesis that the Liberal government has found that right balance in the middle. The member would have us believe that total worship at the altar of free enterprise would answer all the problems of society. Those on the left would say that total devotion to socialism would answer all the problems of society. I say to the House and to the hon. member that it is the balance we have brought to government that has brought us closer to the right solution.

I will not claim and I do not think anybody can claim that any government is perfect, but I think one would have to go a long way to find a more balanced approach to governance than we have seen with this government.

• (1640)

Mr. Chuck Strahl: Mr. Speaker, I think I did try to paint in the limited time available to me that there is a role. I said there was a role for the public sector. I hope the member remembers my comments about the public-private partnerships which I think will be inevitable in areas like Atlantic Canada that have an infrastructure deficit. I do think there is a role for the public sector. I have maintained that.

Getting back to the example of Georgia, it is interesting that it changed the constitution. An odd little clause says that it prohibits subsidies to businesses in Georgia. It is prohibited in the state constitution. Tax breaks are okay as long as they apply to all businesses, not just to hockey teams, not just to one specific favourite of the minister, but they have to apply to all businesses. What is the result? Over the last 20 years, Georgia's economy has grown 150%. The Canadian economy has grown by 45%. Even in the United States it has only grown by two-thirds.

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I do not claim that Maine is the be all and end all of a perfect American state, but even in Maine where similar programs are in place its unemployment rate is only 8.5%, half of what it is just north of the border. It has the same type of geography, the same type of logistical problems yet its unemployment rate which is a key determining measurement factor is much less.

Mrs. Michelle Dockrill (Bras d'Or—Cape Breton, NDP): Mr. Speaker, I heard my colleague talk about patronage and how that happened in Atlantic Canada. I have to say that I agree with him.

Having lived on Cape Breton Island all of my life, we have been the epitome of patronage over the course of the last 10 to 15 years. I refer to the Liberal patronage under the auspices of ACOA which we have all come to know and which some love very well. The majority of Atlantic Canadians have no use for ACOA because they have not been politically affiliated with the government to access any money.

Cape Breton Island has had make work projects for a very long time. Under the former ACOA minister we had what I refer to as boardwalks to nowhere which have nothing to do with sustainability or economic development.

Having said that, there have been serious failures on behalf of the Liberal government with respect to commitments to Cape Bretoners and the individuals who have decided to live there. Is the hon. member saying that we should make the decision now that that is not the path we are going to take any more and that we are going to leave them out in the cold?

Some of my constituents are in very desperate situations. I talk to them on a regular basis about their not having money for things such as school supplies. I believe that is the direct result of patronage. There is a saying in Cape Breton Island that it is not what you know but who you know.

It is recognized that that has been the major problem in Atlantic Canada and certainly in my part of the country. We agree that we have to chart a new course in terms of commitment. Would the hon. member agree that we have to be committed right now to dealing with the crisis that is facing Cape Bretoners which has been due to the lack of leadership and commitment, and as the member said, the buying of votes in Atlantic Canada by the government?

Mr. Chuck Strahl: Mr. Speaker, I sympathize with the situation. I see it in pockets in other parts of the country as well. Cape Breton is a large enough area and it is in our folklore in Canada. Even though I am not a part of Cape Breton and never have been, it is a little pocket of Canadiana we are all proud of in some special way. I do not know exactly why, but it is there and we are focusing on that today. We also see it in pockets across the country in other natural resource areas. I mentioned Cassiar as an example, which virtually does not exist anymore. There are pockets where that happens.

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• (1645)

I went to the region a couple of years ago during the general election of 1997. Our candidate took me down the road. He did not win. He did not even come close, but he showed me something which was built with an ACOA grant on one side of the street during the reign of the Liberals for a Liberal. Then he showed me that another guy had built a new roof for his hotel when the Tories were in power. I said that it could not be that bad. He said that the way it works is, if you do not know the guy at the top, you do not get anything, and that is just the way it goes.

Coming from western Canada it was just too bizarre for me to believe. I could not believe that a system could be run so corruptly. I sympathize with the NDP because it has not been in power in this place, so it has not been able to pull those strings. It is a tribute that the NDP got elected. That is an amazing fact.

The truth is that if the solution was an ACOA grant or a descendant of ACOA, then I would say we should have a look at it, but I cannot imagine a system set up along the lines of a government grant program that is anything like what we had that would allow free market forces to apply. I am concerned that no matter what the program and no matter how good the intentions, whoever is pulling the strings will still be that politicized, that partisan in nature, will not allow the actual economy to take over, and it will still get sidetracked.

The Acting Speaker (Mr. McClelland): We have time for a quick question from the member for Yorkton—Melville.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I thank you for giving me a few minutes.

I have been sitting here all day listening to this debate and becoming educated on an issue I know very little about. I am really astounded at the amount of money that has been spent on Cape Breton. Two billion dollars is quite a bit of money to a small prairie boy.

The member talked about Santa Claus giving away all this stuff. Santa Claus gives away his own money. Where does the money come from that is given to these people? I come from Saskatchewan and the prairie farmer is—

The Acting Speaker (Mr. McClelland): That was a great question. Now there is time for a quick response.

Mr. Chuck Strahl: Mr. Speaker, I think I can answer the question. I know the member for Yorkton—Melville is concerned about the situation with the farmers on the prairies and the fact that when the Prime Minister says to the people in his riding “I am no traitor, I am Santa Claus” it may be some comfort to the people in that riding, but most of us realize that the money comes from somewhere. A lot of the money the Prime Minister has handed out

has come from the backs of Cape Breton coal miners, from prairie farmers, from loggers in my riding and from people around the country. It has been sent to be used or misused in ridings that the Prime Minister thinks—

The Acting Speaker (Mr. McClelland): I am sorry, but we are out of time.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, it gives me great pleasure to enter the debate on Bill C-11, the divestiture of Devco. The debate that has gone on up to now in some ways has pandered to the past, to a myth or a perception that unfortunately exists in other parts of Canada about the economy of Cape Breton. I have heard the word sinkhole used a couple of times. I have even heard members of the New Democratic Party say that we should not do this, that we should continue on with what we have done in the past, that we should stay in the past. I do not think either one of these images or visions of Cape Breton is realistic. I think as Cape Breton exists today it is quite a different place than it was 10 years ago.

I have been heartened by and I will give credit to Keith Brown, vice-president of the Enterprise Cape Breton Corporation. He has basically said that Cape Breton has turned the corner, that Cape Breton today is a robust economy.

• (1650)

We have been talking about unemployment rates in Cape Breton. I was amazed to find out that in fact the unemployment rate in Cape Breton is declining. It has declined something like 13% in one year. It has done that because of one basic thing: it has been able to diversify its economy.

The people of Cape Breton are going through some stressful times of adjustment. There is not anybody in this country who has not had to deal with some kind of adjustment in the 1980s and the 1990s because of economic change. Quite frankly, I feel for those people. I feel for those Cape Breton coal miners. I understand what it is like to be 45 years of age and looking at no job.

However, the unemployment rate is declining. There is new industry starting in Cape Breton. There is a great potential, a great future to living in Cape Breton. It is not to go back and live in the past, as the NDP would have us believe; it is to go forward into the future.

There are some very interesting statistics. For instance, 47% of all people employed on the island in 1981 worked in the goods and services sector. That is now down to 20%. In other words, there is a dramatic shift away from the production of goods and services like coal to a service based economy.

Demographic change has occurred in various places. When we talk about unemployment statistics we have to look at the actual

labour market. The reality is that at the same time as these statistics have been going up and down—and going down currently—the actual labour force in Cape Breton has been increasing dramatically. For instance, the labour force in Cape Breton went from 106,000 in 1970 to 126,000 in 1996, an increased labour force of 20,000 people. That has to do with the demographics of the area and the age of the population.

This is the perception which I hear from NDP members: “If you cannot see the men in droves heading for the pit, the mill or the wharf with their lunch pails in their hands, there must be less people working”. That is not true. Look at the statistics. There are more people working today than there were two years ago.

Mrs. Michelle Dockrill: And going to the food banks.

Mr. Alex Shepherd: NDP members are not interested in facts; they are into fiction.

The future is many faceted for the people of Cape Breton. The unemployment rate has improved on the south coast of Nova Scotia. By December 1997 the unemployment rate on Cape Breton Island had fallen and improved from the seventh highest rate of 13.5% in the province. By December 1997, 8,000 fewer people were unemployed as compared to December 1996. The unemployment rate fell from a high of 27.5% to 13.5% by December. The economy of Cape Breton has started to change, in spite of members of the NDP who would like to keep it in the past, with the possible exception of Devco.

There are other successful industries. The re-opening of the National Sea Products plant in Louisburg, the establishment of dealer services in North Sydney, the potential sale of the Sydney Steel plant and gas liquefier plant at Port Tupper are all potentials for new industry.

If members recall, the government will provide additional funding to enable those people to relocate from the coal industry to new sectors. Some people may ask why we are doing that if the economy is so successful already. There is great potential for these people because these new jobs are being created in Cape Breton today.

I will not say it is easy. I will not stand here as an Ontario member and say it is easy for somebody who was a coal worker all of their life to suddenly turn around and become a computer engineer or take advantage of some of the new technologies. There is obviously a learning curve. It will be necessary for them to go through some kind of a learning curve. Indeed, it may well be that it will be impossible to fit them in over some kind of timeframe. However, the people of Cape Breton have a very promising future ahead of them.

• (1655)

The per capita income in Cape Breton has been increasing dramatically. There has been something like a 50% increase in the last 10 years.

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Mr. Peter Mancini: What is it?

Mr. Alex Shepherd: This person is very much interested in what they call the Porter theory of economics, which means that one needs strong clusters of economic activity in order to grow the economy. Guess what? Cape Breton has those clusters now being created within its economy. Here are some interesting statistics.

Currently Cape Breton has produced more CD-ROMs for educational purposes than the rest of the province and leads Nova Scotia in multi-media. The development of a silicon island concept should only serve to strengthen this position.

The University College of Cape Breton is a leader in engineering in the province. The UCCB's connection with the knowledge based cluster will be a linchpin to fostering economic growth. This college employs 420 individuals, making it the sixth largest employer in Cape Breton.

What we are saying is what we all already know about Nova Scotia. There are more people in Nova Scotia engaged in education than there are in forestry or the fishery. These are the signs of a new economy.

Tourism is another cluster being promoted in Cape Breton. Tourism employs about 8% of the people and it is increasing.

Finally, we get into gas and petrochemicals. We have all heard of the Sable Island field. Port Hawkesbury and Port Sydney are strategically located to service this industry. We are seeing that the Sable Island project is only the tip of the iceberg. As we speak, plans are under way for the ongoing exploration of the Laurentian sub-basin which is located in the Grand Banks between Cape Breton and Newfoundland.

We see a whole vision for the future. We see the vision of a high tech industry forming in Cape Breton. We see the vision of a tourism industry. We see the vision of a petrochemical industry. Sure, I understand there are some exceptions to this. Some people in Cape Breton are saying that they do not want to promote natural gas because they have always been dependent on coal. This is not an either/or situation. In fact, it can be both of those things.

We hear members of the NDP today telling us that we cannot get rid of Devco, that it is part of our past and they want to keep it. The reality is that this is part of a change. It is part of a change in the economy as we move toward a better life. I do not think that members of the NDP or anyone else in this room will be able to stop this change. The change is upon us. It is a global change and it is a change for the good. It will change the basic lifestyle of the people of Cape Breton.

There are jobs here. There are opportunities here. These are all positive things.

An hon. member: Here?

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Mr. Alex Shepherd: The hon. member was born in Cape Breton. He is one of those people. He has a vision of the future. This government is supporting that vision of the future. It will support those types of industries that will create a new future for the people of Cape Breton.

We realize that it will be a painful exercise to go through. Change is always difficult. Change is not easy. When economies move around, somebody gets hurt. Somebody gets an elbow in the side. I am not saying it is going to be easy.

The industrial revolution in England was not easy. A lot of people got hurt. A lot of people got chewed up. However, the reality is that we are in a new revolution. It is going on in telecommunications. People do not have to sit in Ontario or Toronto. We have heard some people say that to live in Cape Breton simply meant that when people got to the right age they got on the bus and went to Toronto. That is not true any more. They do not have to do that any more. They can sit in their basement, get on the Internet and be plugged into the world. The young people of Cape Breton know that. The people at the University College of Cape Breton know that. That is the future. That is what this government understands. We have to move on to the future. We have to help that transition as much as we can. That is why we have provided a package to make that transition, to be part of that transition.

• (1700)

I heard the NDP say today that we should forget about getting rid of Devco, study it for another 10 years, keep it going because we have a commitment to keep this old industry, and so forth. That industry may well be successful. Maybe some entrepreneurs could take that industry and make it successful. I hope they can. Even if they can, governments will not change the future. The future will be there.

It is important that we as legislators try to help people through change. It is a package like the one the minister is presenting today that makes the transition possible and as painless for those people as possible. It recognizes that is a good for Canadians to help each other, to help those people catapult themselves into the future.

I am happy as a member from Ontario to celebrate with the people of Cape Breton who are making this traumatic change. I wish them the best and I look forward to dealing with them in the future.

Mrs. Michelle Dockrill (Bras d'Or—Cape Breton, NDP): Mr. Speaker, with all due respect to the member across the way, when he throws a name at me like Keith Brown it makes me realize exactly how not in touch with reality the government really is.

It is because of such individuals that any economic development over the course of the last 30 years has not worked. He did such a terrible job in the industrial development sector of Devco running a

golf course that the government gave him the vice-presidency of a crown corporation. That is what happens when one has a vision according to what the government's vision is.

As I sit and listen to the member I wonder when was the last time he visited Cape Breton and actually talked to some of the real people.

Recently I was present at almost all the presentations at the so-called Liberal road show that they are referring to as the adjustment panel. The former premier of Nova Scotia, who was a former member of this Chamber for 17 years, said one important matter the panel had to take into consideration before the decision with respect to Devco was the crisis that the Cape Breton economy was in and the reality of the fact that the unemployment rate was 30%. That was fact he said. On top of that we will have now an increase in that unemployment and an economy that will continue to be on fast decline.

Is the member telling us and the House that the former premier and the former member of parliament for 17 years was wrong in the numbers he quoted on Friday?

Mr. Alex Shepherd: Mr. Speaker, it is one thing to quote numbers in the future. It is another thing to quote numbers today. I will not dispute the methodology of how they were calculated. I am more interested in the facts. As anybody goes out and predicts numbers after one year, two years or three years they become pretty unreliable.

The reality is that the unemployment rate has been declining in Cape Breton. That party and that member do not seem to want to take that into consideration. They do not want to consider the future of the people of Cape Breton who have a wonderful future ahead of them if they just start thinking positively and do not start with a negative attitude like that of the member who thinks everything will be worse tomorrow, everything will be bad tomorrow. The reality is that it is a new tomorrow. It is a new future and we are happy to be part of it.

Mr. Peter Mancini (Sydney—Victoria, NDP): Mr. Speaker, I almost expected the hon. member to break into song. I feel like I am watching a Broadway production called *Happy Miners*.

• (1705)

He made a point. He should know that I have presented to the economic panel some 50 pages of where I think the government could economically diversify the economy of Cape Breton. That includes many things from renewable energy production, to expansion of the University College of Cape Breton, to a national shipbuilding policy which the federal Liberal government has rejected over and over but which is a natural fit for Cape Breton.

There are many ideas that the government can implement if it has the will. Given the statistics the hon. member has quoted, I

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think he needs a bit of a reality check regarding the Cape Breton he sees with rose coloured glasses. He is talking about all the jobs that are being created. The reality is that the mayor of the Cape Breton regional municipality sees a decline of \$25 million in tax revenue over the next five years and has said as recently as three weeks ago that the municipality may have to simply declare itself no longer an entity and fall under provincial auspices because Devco and Sysco are being cut by the federal and provincial governments.

The member talked about the University College of Cape Breton. The president of that university acknowledges that the reality is we need some kind of massive response to the number of children of miners who cannot afford tuition as a result of this package and who will not be able to further their education at that very worthwhile institution.

That is just a dose of sobering reality for the member's cheery response. We are prepared to diversify economically. We need some help and assistance in that, but let us get real.

Mr. Alex Shepherd: Mr. Speaker, the one thing I did catch in his dissertation was that he talked about all the things we could do in the future to diversify the economy, but the government had to be a partner.

I understand the concept of being a partner in the area of education, and I agree with him. I think we in government have an obligation to educate our people. That is why we started a millennium fund for kids that possibly could not make it into secondary institutions.

What the member did say, which I thought was more profound, was that we have to be partners in all these businesses. That is exactly the thought process which created Devco in the first place. With all the things that have gone on in the past that will not fly any more. Surely the people of Cape Breton can see that does not work any more.

Governments cannot be directly involved in businesses, mainly because we are pretty damn poor at it when it comes right down to it. The reality is that we do not want the government as a partner. What we do want the government to do is to be involved in those areas where it can increase the skill sets of people.

We must realize that the federal government gives direct contributions through our transfer payment mechanism to post-secondary education. There is a commitment of the federal government to post-secondary education.

The member is saying that it is not enough, that we need to find ways to deal with the underlying financial restructuring that will occur. I am sure we will continue as we meet in committee and other places to try to find ways to resolve that problem, but that is

not all that problematic relative to a lot of other places in the country which have been struck by structural changes to the economy.

We have to find ways to solve those problems. We have to find the money to solve those problems. We have some money on the table that goes part of the way toward solving those problems. I agree it is not perfect, but the reality is that collectively we will find a way to solve those problems.

I do not believe that everything is as terrible in Cape Breton as the member has said. I believe there is a large glimmer of hope. I think there is a great, bright future for the people of Cape Breton.

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): Mr. Speaker, today we are actually having a rather telling debate in the House of Commons. We are talking about part of the country that has been struggling for a long time successfully. It is called Bill C-11.

• (1710)

I thought about how a person could begin a presentation which would reveal how one thinks about this legislation. I thought of a way. I know I am not supposed to do this but it symbolizes what we think about the legislation. It should be torn up and thrown away. It should be torn up in little tiny pieces and just chucked away.

The Acting Speaker (Mr. McClelland): The hon. member for Kamloops, Thompson and Highland Valleys has far more experience than I and knows full well that demonstrations of this kind are not countenanced by our rules.

Mr. Nelson Riis: Mr. Speaker, I appreciate your intervention. I think it is a crazy rule because we have to find ways to symbolize what we think in this place. We can use our vocabulary, prepare our speeches and so on. Some of my colleagues across the way have been noted from time to time for their rather exuberant presentations. I acknowledge the practice we have in this place. We should not physically tear up legislation, and for that reason I apologize, but I thought it was a good idea in terms of expressing how we feel.

What is the legislation all about? Let us be very frank about it. It is about the men, women, families and children of Cape Breton. What does the legislation do to them? It slaps them across the face. Every man, woman and child in Cape Breton is being slapped across the face with this legislation. If the minister had the guts when he stood he would have waved this as some sort of symbolic slap across the face to the people of Cape Breton. That is what—

The Acting Speaker (Mr. McClelland): I am really disappointed that I have to intervene once again. We have determined over the years that we do not refer to another member's fortitude or lack thereof.

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Mr. Nelson Riis: Mr. Speaker, I am sorry. I was referring more to the way I thought the minister could have made his presentation.

A lot of people today are watching the House of Commons, the Parliament of Canada, to see how it will proceed with a very serious issue in Cape Breton. My colleagues from Sydney—Victoria, from Bras d'Or—Cape Breton and others have spoken to this issue. Do people really care about what is happening to the people of Cape Breton?

We know how the government feels about the prairie farmers who are also in a crisis situation. They have been faxing, phoning, writing and sending delegation after delegation. They are completely ignored, which I suspect will account for some of the outcome in the byelection later today. We will set that aside.

Those of us from western Canada know how callously we have been treated by the government when it comes to agriculture. Now we slip to the other coast and to Cape Breton.

Mr. Myron Thompson (Wild Rose, Ref.): They don't care.

Mr. Nelson Riis: My friend from Wild Rose says that they do not care. Today we are trying to test whether or not they care. This is the litmus test for the Liberal government to say that it cares about people in Atlantic Canada, that it cares about people in Cape Breton. We will see what the government will do. The package it has come up with is absolutely pathetic. It is a pathetic, uncaring and meanspirited package.

If I could get away with it, but I probably cannot, I would point to Liberals across the way and say that what they are doing in Cape Breton is a form of institutionalized child abuse. It is child neglect. When a child is neglected in our country it is called child abuse.

• (1715)

Mr. Brent St. Denis: Mr. Speaker, I rise on a point of order. With great respect, I think it is inappropriate to use terminology like that and to refer to the people of Cape Breton as children.

The Acting Speaker (Mr. McClelland): I was paying very close attention to the debate. I certainly would have intervened had I felt that the suggestion had gone to a point that was inappropriate, but I appreciate your intervention.

Mr. Nelson Riis: Mr. Speaker, I want to tell my hon. Liberal friend opposite that there are thousands of children in Cape Breton who tonight are experiencing a form of societal political child abuse.

I want to make the case that in this country when we abuse or neglect the needs of a child we are convicted of some form of child abuse. This particular package neglects not one child's needs, not 100 children's needs, not 1,000 children's needs but tens of

thousands of children's needs. That is why I say this is a societal political form of child abuse that we are witnessing in the House of Commons today. This is a conscious decision by Liberal members opposite to inflict pain and suffering on the children of Cape Breton because they are going to inflict pain and suffering on the parents in Cape Breton.

Are we supposed to sit here and take this today? I have heard my colleagues opposite, who do not necessarily agree with some of the thrust of our arguments, say that they appreciate that the hardship of the folks in Cape Breton have to be acknowledged. As a matter of fact, I remember my old Liberal friend, who was not long ago the premier of Nova Scotia, describe the situation in Cape Breton as an economic crisis. Is this piddling piece of legislation how the Liberals deal with an economic crisis? Is this how they deal with a state of hopelessness that they perpetuated on the people of that part of the country?

This is a cruel and thoughtless document. This is a document that is intended to pick on the people of Cape Breton. Surely to goodness the government does not expect the people of Cape Breton to sit there quietly and take this. I know, the Liberals are going to consult. Oh my God, how pathetic a comment could one make? They say, "We're going to consult". What is there to consult about? Do we want to consult in terms of what the alternatives are?

My colleague from Sydney—Victoria has already made a 15 page presentation of what actions could be taken. They were thoughtful, positive, progressive comments in terms of what this transitional package could look like, but there was one thing that it required in order to be properly implemented and that was proper and adequate financial investment, not this little Mickey Mouse, weasel-minded piece of legislation.

A lot of my Liberal friends opposite have said "We don't hear any positive ideas". I do not know about them, but if they had read the proceedings of the panel and heard the presentation simply made by one member who made many presentations about all of the progressive initiatives that could be taken in that part of Canada, I am prepared to say today that with the appropriate investment by the government, Cape Breton could be turned into the economic showpiece of this great country. It requires an investment, a commitment and a willingness to put money on the line.

The government cannot say it does not have any money. It has billions and billions of dollars sitting in a fund right now called a surplus. It has money coming out of its ying-yang. It has billions and billions of dollars that it could invest if it wanted to.

One can only assume that if the government has the money it must not want to invest it properly. The will and the commitment is

not there to the people of Cape Breton. They are not asking for a handout. I have heard Liberals say today that the people of Cape Breton want a handout. That is an insult.

• (1720)

The people from Cape Breton have moxie. They have the guts, the courage, the experience and the talent. They want to work in progressive and positive careers.

I remember a visit to Cape Breton where we had a chance to drop into the University College of Cape Breton. I do not think I will ever forget that day. There was a long lineup of young people who were students at the university college. There was the administrative staff and members of the board. Every single one of those individuals, every man and woman who made a presentation to our committee, said that they had a great future there but that they needed some resources and some infrastructure.

Can anyone imagine what the state of affairs would be in this city without any investment in the high tech infrastructure? The government says that it cannot afford it. It can afford to invest all kinds of money in the nation's capital. The University College of Cape Breton wants an investment.

My friend mentioned that there were all sorts of ideas, such as shipbuilding. We are one of the world's greatest trading nations. Should we not have a viable, dynamic shipbuilding sector? We have a delegation visiting the House of Commons industry committee tomorrow in order to make its case for developing a comprehensive and major program to develop the shipbuilding industry in the country. Can anyone imagine a better place to centre that than in Cape Breton? There is no shortage of ideas and so on in terms of how to deal with this situation.

My colleague mentioned that a lot of people today were going to lose their jobs. This will not be hundreds of people. A thousand people will lose their jobs in that part of Canada. Can anyone imagine the impact of that? Some of the economists have suggested that impact will be somewhere in the range of \$1.5 billion over a few years. Hundreds and hundreds, thousands and thousands, millions and millions of dollars will be taken out of that local economy as a result of that closure.

As a member of parliament from Kamloops, I understand it because we just had a closure of a major copper mine. Thank goodness it was temporary, but I know the impact it had, not only economically but psychologically, on those people who worked hard underground in those mines. If anybody in the House of Commons had spent five minutes underground in that part of the country and saw the kind of working conditions that those men and women have struggled with for so many years, they would know that these miners deserve every particular break they can get from the government to enable them to carry on and support their families.

The government said that it decided to take a bold step and go consulting. That has got to be one of the most pathetic gestures a

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person could come up with. This is the same government that is now consulting over Nisga'a. The Prime Minister said that the government was not going to change one letter of that agreement or one letter of the legislation. In other words, we can consult until the cows come home but the government will not change anything. I suspect that is about the same willingness to have input into the situation now in terms of consultation in Cape Breton.

The people of Cape Breton have not been spared this kind of imposed violence against them, such as from the old coal companies that brought in people to break-up the strikes. Violence is nothing new to this part of Canada, but the people have always stood up, struggled on and been successful. They will do it again. All they are asking for is a fair break in terms of investments into that part of country through their university college and other agencies. This would enable them to pick up, carry on and do what any progressive person would want to do, turn it into an economic showpiece for the entire country.

Let us think about what the government could do for Cape Breton today if it stood up and said that it had decided to make some bold changes to ensure that every young person in Cape Breton has access to the University College of Cape Breton and that it would ensure that every person who needs upgrading and training has access, and to that end, it would eliminate the tuition fees for that institution for the next 10 years.

• (1725)

Goodness grief, the amount of money the government has taken out of the EI fund could have been used for the stuff that has probably spilled beside the desk of the Minister of Finance. We are not talking about a lot of money, but it is that kind of bold initiative that the government could be taking. What does it do instead? It comes in with this completely laughable piece of legislation. If it was not so serious, we would consider it to be some form of laugh-in, for Pete's sake, or some kind of yuk yuk club intervention by the minister.

This is a very serious issue. We are talking about the future of men, women, children and families in Cape Breton. As New Democrats on this side of the House of Commons, we will do whatever is physically possible to ensure that the legislation never sees the light of day.

Mrs. Michelle Dockrill (Bras d'Or—Cape Breton, NDP): Mr. Speaker, as my colleague has said, he has spent some time in Cape Breton and really has a good sense of what is happening on the ground.

I just have a simple question for my colleague. He has been in the House a lot longer than I have and has seen a lot of legislation come and go. He has seen a lot of initiatives on the part of governments that have not in fact benefited the citizens that they are supposedly intended to help.

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There seems to be a perception that continues to permeate from the Liberal government to central Canadians and some western Canadians that what is happening in Cape Breton is really Cape Bretoners' own fault. I am wondering if the member sees any responsibility over the course of the last 30 years in how the economy has been on a steady decline not with the people of Cape Breton Island but with the governments of the day.

Mr. Nelson Riis: Mr. Speaker, as others before me have commented, we see in parts of Atlantic Canada that Cape Breton is no different. This is a rather unusual form of patronage where so much of the financial support that should go to good economic ventures is peeled off for political payoff purposes. I wish I could say something different, but the reality is that for too long it has been political patronage, political pork barrelling and political payoffs that have been determining the economic development of that part of Canada, which should never have occurred.

Mr. Stan Keyes (Hamilton West, Lib.): Mr. Speaker, I found myself running down here literally after hearing the remarks of a colleague of this place. We have shared this House for some 11 years this month.

When the member for windbag, or rather Kamloops, Thompson and Highland Valleys got up to speak—

Some hon. members: Oh, oh.

The Acting Speaker (Mr. McClelland): I am sure the member for Hamilton West has a withdrawal to make.

Mr. Stan Keyes: Mr. Speaker, I withdraw the comment to go on to say how frustrated I was and why I had to say that. I cannot let this go by.

When the hon. member got up and talked about the abuse of children, I have never heard such poppycock from one member of parliament in a long time, and this member gets up on a regular basis. So I had to do a little research. Let us find out what the facts are for this member who might be up making speeches and ripping up paper, but only does it because he has to make, for political purposes as he puts it, a little show for his constituents.

How many people are we talking about? We are talking about 1,500 employees. How much money are we talking about from the Government of Canada for 1,500 people? We are talking about a \$111 million package for 1,500 people. What does that mean? It means that up to 500 people will be retained by the privatized company to work in the Prince Mine, leaving 1,000 people. Of those, 340 people will be eligible for a generous retirement package of \$24,000 a year until they turn age 65. I guess the member forgot about that part of the child abuse he spoke of. The remaining 650 people will receive severance and training allowances for which they will receive four weeks per year service or

some \$70,000 per person. Is this abuse? It is a total package of \$111 million for 1,500 people.

• (1730)

Has the hon. member ever seen in the private sector such a generous severance agreement with any employees as that one? Can he give me one example in his riding or anywhere else in the country?

Mr. Nelson Riis: Mr. Speaker, I have heard pathetic interventions in the past. I have heard people make pathetic interventions because they were afraid of the truth. The hon. member who just spoke obviously flunked economics 101 if in fact he ever went to college. That is obvious—

An hon. member: Sit down.

Mr. Nelson Riis: I won't sit down. The Liberals can yell at me to sit down but they are stuck with me for the next two minutes at least. The hon. member for Hamilton West talked about the loss of 1,500 jobs. If he had studied any economics he would know that for every one job of this nature there are at least three other jobs lost as well.

An hon. member: The private sector is taking over the line.

Mr. Nelson Riis: Which private sector? First of all let us understand what we are talking about here. There is a 30% level of unemployment today. My hon. friend is hoping that people will leave Cape Breton in droves. His solution is to drive people off the island. His solution is to tell them to seek their fortunes in Toronto. That is where the action is. He wants them to go to Hamilton or central Canada. I will tell my hon. friend that not everybody wants to go to Hamilton or central Ontario.

Mr. Stan Keyes: It is a beautiful city.

Mr. Nelson Riis: He finds that shocking. He should be as aware as some of his Liberal colleagues that there are other parts to Canada than central Canada.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I have a quick question and a compliment for the hon. member on his speech, on his fire and enthusiasm. He is a true westerner, I take it. It was well done.

However, there is a couple of questions that bother me. I noticed that he never addressed anything in the package with regard to the \$70,000 payoff for one individual, or about \$30,000 after taxes so it is really insignificant. It appears that the whole package is setting up a very low minimal welfare state in the Cape Breton area.

Would the member agree that is what this is doing? Is his solution to create a larger welfare package, or are we genuinely talking about investments to create the jobs he is talking about that will keep this industry booming? What is he suggesting as a solution?

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Mr. Nelson Riis: Mr. Speaker, I thank the hon. member for Wild Rose for his question. I do not think he was listening carefully to my speech or perhaps he got a little waylaid. Maybe they disturbed him from across the way.

I did lay out that there is no shortage of progressive ideas in terms of what the economy of Cape Breton can be. I happened to be part of the process in Cape Breton some months ago where countless individuals from all walks of life laid out a whole series, a whole agenda of what they felt was very viable in terms of a new economy for Cape Breton, but it required some investment.

My hon. friend knows education. It is probably the best investment we could make. They need more investment at the University College of Cape Breton to allow local folks access to that institution to enable them to develop the skills for these new enterprises.

We are not talking about handouts being acceptable. We are not talking about any form of revised welfare. We are talking about providing the necessary infrastructure so the men and women of Cape Breton can develop the dynamic economy they know they can develop with the proper resources.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, I had the opportunity to meet with representatives of Devco a few months back. I was thus able to become familiar with this extremely unfortunate issue. I would like to make a comment and then ask the member for Kamloops, Thompson and Highland Valleys to respond.

The people I met with told me clearly that the miners who are now losing their jobs are the same ones that the government encouraged, a number of years ago, to settle with their families and make a career with Devco. These people are now being abandoned.

• (1735)

They are being abandoned at a time when they are extremely unlikely to be able to find a new job in the region. They are being abandoned at a time when they are not yet entitled to a pension but very nearly so. They are being abandoned along with their families, their children. They are being abandoned in a region that is not one of the richest regions, quite the contrary. They are being abandoned and the government is turning a blind eye.

As I see it, this is irresponsible, and I would like to hear what the member for Kamloops, Thompson and Highland Valleys thinks.

[*English*]

Mr. Nelson Riis: Mr. Speaker, I will be very short. I listened with interest to my colleague's intervention. I think it was a very thoughtful intervention and I agree with him 100%.

Mr. John Duncan (Vancouver Island North, Ref.): Mr. Speaker, as everyone is well aware at this point, we are talking about Bill C-11, the Cape Breton Development Corporation divestiture authorization and dissolution act.

Before I go into any specifics about the act I thought I would take this opportunity to talk about some personal and family history. One might say I have coal dust in my veins since it was the coal mines that brought my grandfather to Canada. Without coal I would not be standing before the House today. It is amazing how one can step back into history through people who are not long gone.

My grandfather was born in 1866 and by 1880, at the age of 14, he was working in a coal mine in Scotland. Later he operated a coal mine in China until the Boxer Rebellion at the turn of the century. He was on the docks in Shanghai when Europeans were being killed.

After returning to Scotland from China my grandfather, James, along with his two brothers, Ninian and Tom, came to North America to work in the coal mines of West Virginia. The three brothers continued to work together and moved to British Columbia where they worked in the coal mines. My grandfather worked at the Coal Creek mine near Fernie, British Columbia.

On May 22, 1902, there were 128 miners killed in the Coal Creek disaster. My grandfather was on the rescue team after this mine disaster and this traumatising event certainly affected him for the rest of his days.

I grew up in the coal mining town of Natal close to the B.C.-Alberta border in the Rocky Mountains adjacent to the slag piles and the coke ovens, adjacent to what was then the Trans-Canada Highway that went through the Crow's Nest Pass. It has since been moved from Crow's Nest to Rogers Pass.

We left there in 1955 because the government decided that Michel, Natal and Middletown should not be there. It bulldozed Michel, Natal and Middletown and relocated the communities to Sparwood, essentially because it was the entryway to B.C. on the Trans-Canada Highway. The three towns were bulldozed because of the government's concern for optics. This was the entry to British Columbia and on many days cars had to turn their headlights on because of the coal dust, and our house was white. People had a lot of pride in their community. There are a lot of people who still have strong emotional ties to these communities that are no longer there.

I understand the strong emotional attachments and the strong affinity to the coal mining industry expressed by the people of Cape Breton and Nova Scotia. I have been to Glace Bay, Sydney, Pictou County, the site of the Westray mine and the memorial. We cannot just wash this all away. Coal is in their veins.

Bill C-11 authorizes the winding up of Devco, one of the most politicized and embarrassing public taxpayer funded exercises seen

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in Canada. In a misguided and paternalistic way governments in Canada for the last 30 years, and in fact for the last 70 years when one considers the predecessors to Devco, have spent taxpayer dollars on the coal mining business in the maritimes.

• (1740)

Some of the cynical among us might say that this money was to buy votes. I would prefer to think it was just wrong-headed thinking, but then I am cynical.

In any event, it has created an economy that is not free and balanced by natural market forces. Now that the government is pulling the plug, we have a painful and awkward situation for which there is no easy solution.

Hon. Don Boudria: Mr. Speaker, I rise on a point of order. I understand that if you were to seek it you would find unanimous consent for the House to revert to Statements by Ministers. This would permit the hon. Minister of Labour to make a brief announcement regarding the British Columbian ports dispute.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[English]

WEST COAST PORTS

Hon. Claudette Bradshaw (Minister of Labour, Lib.): Mr. Speaker, I am very pleased to announce that both parties involved in the British Columbian ports dispute have accepted a proposal for settlement. The BCMEA just informed me that the lockout will be lifted as of 4.30 p.m. Vancouver time today.

Some hon. members: Hear, hear.

Hon. Claudette Bradshaw: The union has agreed to go back to work also today. This means that activities will resume at British Columbian ports.

I congratulate the parties. It has always been our view that a negotiated settlement is in the best interest of the parties and the Canadian economy.

I would like to table the letters I have received from the BCMEA and from the International Longshoremen's & Warehousemen's Union of Canada.

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, I am very pleased to see that the port will be open within a couple of hours. I

am not all that pleased, though, that it has taken more than a week for the government to act on this matter. The minister will know that I wrote to her last Monday asking her to do exactly what has taken place now but to do it in a more timely fashion.

This is an incident that has cost not only millions of dollars a day to the Canadian economy. It has also cost us as far as being a reliable port is concerned. Our reputation as a reliable shipper and receiver of goods is badly damaged. This will be a very difficult hit on the economy of British Columbia.

I am very pleased to see that it is over without any more agony than we had to go through, but I would implore the minister to look at a situation being put in place that could alleviate all this suffering, something we could work on before job action of this type has to be taken. I would be pleased to talk to her about that.

[Translation]

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, I note that most of us are very pleased with the turn of events, but not necessarily for the same reasons.

I had the same letters the minister did, because we have been following the matter right from the start. In fact, we have been looking into this matter all weekend. I was in contact with representatives of the union.

I am very pleased to see that, at last, an agreement has been negotiated between the union and the employers, and this has been done democratically and not been forced upon them through back to work legislation.

• (1745)

Hon. members are aware that my party is always opposed to back to work legislation, because we have always favoured negotiation over force. This is also the best solution because, when all is said and done, both sides work better and get along better as a result.

I am pleased to take the floor today to congratulate both the union side, with whom I have spoken several times today, and the management side.

At last the workers will be able to get back to their jobs at the Port of Vancouver, and the work can continue normally. I congratulate them and I trust that, should there be another such conflict in Canada, we will be wise enough to let the parties settle it among themselves. I realize that a week can be costly, but a week is not all that long for negotiating such an important agreement.

[English]

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, on behalf of the New Democratic Party I want to say how very pleased

we are that through the hard work and dedication of the principals involved the two parties have seen fit to end the lockout. The International Longshore and Warehouse Union of Canada and the B.C. Marine Employers Association have seen fit to end this lockout in a sensible way.

I want to particularly compliment the Minister of Labour, her staff and her mediators for their extra effort and hard work. I know there were some all night bargaining sessions. It is rare to find that kind of dedication and commitment. It really helped to bring this issue to a speedy resolution.

The progress today helps us preclude the bizarre spectre of having to order people back to work in the case of a lockout. We have to remember that this is a lockout, not a strike. Frankly, the employers had the ability to save all those millions of dollars that they lost if they just took the padlocks off the gates. At least we do not have to go down the road of the bizarre, perverse situation of ordering locked out workers back to work. We are very relieved on this side.

Congratulations to all concerned. I understand that by 4.30 p.m. product will be moving through the docks of Vancouver and we can all go to bed at a normal hour tonight.

Mr. Norman Doyle (St. John's East, PC): Mr. Speaker, we are delighted that legislation has not been required and that the two sides are again back to work and work is continuing.

The west coast ports have suffered grievous damage as it is. Canadian industry as a result of what has happened over the last short while has once again got a black eye with its overseas customers.

In the House we are faced with emergency legislation very often. We are told that we have a crisis and that we have to bring in legislation to prevent an economic catastrophe. In cases where we have such catastrophes, where the national interest is at stake, there has to be a better way of settling these issues. People have the right to strike and they should not have that right taken away all that lightly. If and when it is deemed to be in the public interest to deny a group of workers the right to strike, they should be offered some sort of arbitration process in lieu of having that right taken away.

Here we have an industry with a very long history of strikes and lockouts that is capable of having a stranglehold on the economy. We are pleased that the strike is not going ahead but there has to be a better way to deal with these issues.

Mr. Myron Thompson: Mr. Speaker, I rise on a point of order. I appreciate the comments from the last speaker with regard to the history of the ongoing difficulty in what is happening on the west coast.

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I would like to seek unanimous consent to propose a motion that we discuss bringing in legislation to make certain that this port not be allowed to disrupt our essential economy at this point in time. It is time to discuss it now and put an end to it.

• (1750)

The Deputy Speaker: Does the hon. member for Wild Rose have the unanimous consent of the House to propose the motion?

Some hon. members: Agreed.

Some hon. members: No.

* * *

REQUEST FOR EMERGENCY DEBATE

SPEAKER'S RULING

The Deputy Speaker: Earlier today the hon. member for Langley—Abbotsford moved for leave to seek the adjournment of the House for the purpose of an emergency debate on this issue. In light of the conclusion of the matter which has been announced by the minister, the Chair is of the view that the application for an emergency debate does not meet the exigencies of the standing order at this time. Accordingly, there will be no emergency debate this evening on that motion.

[*Translation*]

I also wish to inform the House that, because of the ministerial statement, Government Orders will be extended by eight minutes.

GOVERNMENT ORDERS

[*English*]

CAPE BRETON DEVELOPMENT CORPORATION DIVESTITURE AUTHORIZATION AND DISSOLUTION ACT

The House resumed consideration of the motion that Bill C-11, an act to authorize the divestiture of the assets of, and to dissolve, the Cape Breton Development Corporation, to amend the Cape Breton Development Corporation Act and to make consequential amendments to other Acts, be read the second time and referred to a committee, and of the amendment.

The Deputy Speaker: The hon. member for Vancouver Island North has the floor. He has fifteen and one-half minutes remaining in his allotted time.

Mr. John Duncan (Vancouver Island North, Ref.): Mr. Speaker, it is a little difficult to have my speech interrupted but it was an important issue and it was certainly the right thing to do.

Government Orders

Earlier in my speech I went into some family and personal background on coal mining. We are here to talk about Bill C-11 which authorizes the winding up of Devco, one of the most embarrassing public taxpayer funded exercises seen in Canada.

Now that the government has pulled the plug we have a painful and awkward situation for which there is no easy solution. When the government announced the closing of Devco in January of this year, the minister was booed. Miners were loudly upset. The minister was quoted as saying that the government will stand by Devco's employees in the coming days "just as we have supported Devco over the last 30 years, just as Canada has supported Cape Breton since Confederation". If Canada has been supporting Cape Breton since Confederation and Devco for 30 years and if this is where we are now, then surely it is time to try some other approach.

Father Bob Neville of New Waterford, Nova Scotia hit the nail on the head when he said:

We have to rid ourselves of an archaic, patronage driven economic development model. [We have to] come up with a new development agenda, based on the people of the Island rather than politicians in backrooms making decisions for their friends.

The question we must all ask is that given the decades of politicization of coal mining in the maritimes, why should anyone believe that the government can handle the sale or dissolution of Devco now without some of the same problems? We also have to ask ourselves who will benefit from the sale of Devco? The public interest and the Devco employees must not be compromised because the government is once again favouring its friends. That is the track record of senior governments on this issue and that is what must not be allowed to occur again.

The main problem I have with Bill C-11 as it is currently written is its lack of open accountability. We have called for transparency in government for years. The original Devco act of 1967 stated in subsection 17(1) that Devco shall submit to the minister a plan for the "progressive reduction of coal production—and discontinuation of coal production from mines that are not economically viable, and the plan shall take into account progress in providing employment outside the coal producing industry and in broadening the base of the economy of Cape Breton Island". This is a mandatory provision using the word shall. The government is failing to live up to its own recommendations.

• (1755)

At the very beginning of Bill C-11, it is stated in subclause 2(2) that subsections 99(2) to (5) of the Financial Administration Act do not apply to the authorization of Devco to sell its assets. These very subsections of the Financial Administration Act effectively say that crown corporations may sell property only in accordance with the regulations.

It is true that Devco was originally set up so that it was allowed to dispose of its assets on its discontinuation. It is imperative that if

the government intends to remove these sections of the Financial Administration Act from applying to the sale of Devco as the legislation currently reads, those removed provisions must be replaced by new provisions that bring accountability and public scrutiny to the process. Otherwise we are back to cabinet being in charge of all information without the necessity for public disclosure, and the public interest will lose out to political considerations once again.

I am concerned about the lack of transparency and accountability in the whole process. From the beginning the whole Devco situation has been tainted by rumours that individuals connected with the government have benefited from federal money. It is essential the government open up the process of divesting itself of Devco.

We all hope that this process leads to continued employment for Cape Breton miners. The best opportunity for that to occur is to eliminate the political decision making in favour of investment decision making freed of those shackles.

I have not used all my time, but that is the conclusion of my speech.

Mr. Joe Jordan (Leeds—Grenville, Lib.): Mr. Speaker, I was not planning on participating in this debate but a couple of things struck a chord with me.

Really what we are talking about with the bill is independent of whether the amounts that are being suggested are enough. We have to back up and ask what we are trying to do with that money. If the plan is to simply continue with the pipeline of cash and create a dependency in Cape Breton, then it is probably not enough money because there is not enough money.

I have heard a lot of talk about economics today. I have not heard a lot of talk about social sustainability. I have not heard a lot of talk about environmental sustainability. If what we are trying to do is to develop the economy of Cape Breton, what we have to do is back up and look at what the government's objective is. Clearly it is to try to develop the capacity of Cape Breton to have a sustainable economy. That is in the best interests of the government because we will end up with a vibrant economy that can be taxed and which can supply money into the government coffers.

I listened to and watched the antics of my hon. colleague from the NDP. I say sincerely that I do not think he is doing the cause any good in the long term. He mentioned that people in Canada are watching this on TV. I would make the same point to him. People are watching this on TV and when he rips up hunks of paper and throws them in the air and calls what the government is doing Mickey Mouse, a lot of people in other parts of the country may not think it is Mickey Mouse.

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I want to focus on Leeds—Grenville. I have been in this job for a little over two years. Leeds—Grenville is a community on the border. Prior to NAFTA we had tremendous opportunities because there were border tariffs. The American companies would come across the border and build a plant to serve the Canadian market and circumvent the tariffs.

The border communities in eastern Ontario have a lot of branch plants of American companies. We had good employment through the 1950s, 1960s and 1970s. With the NAFTA, like it or not, there was a major shift in the tariff policies of the government. As the global companies shifted to scale economies and plants to serve global markets these branch plants no longer fit into the equation.

• (1800)

I am certainly not suggesting that the problems of Leeds—Grenville in eastern Ontario compare with Cape Breton, but they are not that far off. I have a list in front of me of six plants which closed in the last two years in my riding and 1,700 people were put out of work. I am not saying that jobs were not created, but the people who were displaced from these heavy manufacturing companies are not the kind of people who are picked up in the new economy. We have major problems with transition.

I look at what the government is doing in Cape Breton. I have the numbers before me. I am not claiming to be an expert on this, but there was a \$69 million loan that was forgiven, \$41 million to cover Devco's expenses to the end of the year, \$111 million for the employees and human resource needs and then \$68 million for economic development. The member says that is a slap in the face, but there are 1,700 people in Leeds—Grenville who would just love a slap in the face like that.

I am not saying that he is right or he is wrong, but his method of delivery is sending a message that I do not think will serve the interests of the people of Cape Breton. It is a very serious issue, but we are not trying to create dependencies.

The NDP members were jollying it up with Reform members earlier about how the old style did not work. I was not party to that. I do not know how that worked, but \$2 billion over 30 years, allocated improperly, I am not saying was the way to go. The approach we are being asked to support now, if we believe members of the NDP, is rather schizophrenic. They are saying "Don't do things the old way", but when we try to change they say "There is not enough money in the envelope".

We are saying that we should not create dependencies. We are trying to build capacities within these communities so that we have sustainable economies.

When I was in Halifax last summer I took a side trip to a call centre for the tourism industry. It was a tremendous experience. They get about 3,500 calls a day and they route people to various

parts of Halifax. What they found was that because of this call centre people were staying longer and they were spending more money.

The tourism industry in my riding certainly has lessons that it can learn from the way the people of Halifax are applying that call centre and applying that money. There is reason for hope. I do not think the sky is falling mentality is going to serve the long term interests of the people.

I also want to talk a bit about the member criticizing Ottawa. In 1995 Ottawa had one of the largest displacements of employees in the history of Canada when the public service downsized. Ottawa, through a program called REDO, took a look at the fundamentals of the economy, what drove the economy and where it could make strategic investments. As a point of comparison, the REDO budget was about \$1.8 million. One million, eight hundred thousand dollars later, the Ottawa economy has very sound fundamentals. It is not an economy that has dependencies. In fact it is booming.

If the \$68 million for economic development is applied properly, if that money is used in an intelligent way, it can go a long way to laying down the foundations of how that economy should be operating so that it is sustainable; socially, environmentally and economically sustainable. There are also ongoing programs. This is not simply a one-time payoff. We have the various development agencies in Atlantic Canada.

Eastern Ontario, for some reason, is an area that is not covered by any of these. However, people have the ability to leverage money with the Enterprise Cape Breton Corporation or with the Atlantic Canada Opportunity Agency, so there are opportunities. There is the potential to put money and strategic investments where they belong.

Economic development is community development. Community development is not necessarily throwing money at the problem. We look to see what makes the economy work, where are the opportunities and invest intelligently. That is the best approach for Cape Breton.

• (1805)

Mrs. Michelle Dockrill (Bras d'Or—Cape Breton, NDP): Mr. Speaker, I listened to my colleague across the way and I want to clarify for him the position of New Democrats. What we have been saying is that because the initiatives over the course of the last 30 years have been ridden with patronage they have not worked. Our position is very clear. We do not feel that the mistakes of this government and governments over the past 30 years should be buried and carried on the backs of the Cape Breton miners. That is our position.

My question to the member is very simple. He refers to the \$68 million, which, if allotted properly, could prove to be successful.

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He uses words like leverage, which are the kinds of buzzwords we have heard for the last 10 years on the island of Cape Breton with respect to wages, things like ACOA, the ECBC and the CBCEDA.

My question is very specific. Given the fact that over the course of the last 10 years leverage with respect to ACOA money and ECBC money to the tune of \$352 million has landed Cape Breton with the highest rate of unemployment, I would like the member to tell me, as well as those Cape Bretoners who are watching tonight, some real specifics in terms of how he sees a mere \$68 million being allotted as being successful when this government was not able to accomplish it with \$352 million?

Mr. Joe Jordan: Mr. Speaker, I can tell my hon. colleague that I am not even going to try because that is exactly the wrong approach. What she is starting with is an amount of money. Let us take an amount of money and then we will make the problem fit it.

The first thing we have to do with that \$68 million is go back and look at how the fundamentals of that economy work. Then we will find out where the opportunities are. I think we would just be remaking the mistakes of the past if we were to somehow pull a figure out of the air and say that it would solve the problem.

The solution to the problems of the people of Cape Breton is not necessarily more money. I am not going to pretend that I know what that solution is. I am saying that I am going through it in my riding. The first things we have to look at are what are the opportunities, what are the strengths, what are the weaknesses and what are the threats. If we go through that and figure out how that economy works, then we will figure out where the strategic investments should be made.

As for the \$2 billion mistake, as she calls it, I wish the government would come into my riding and make some mistakes like that.

Mr. Peter Mancini (Sydney—Victoria, NDP): Mr. Speaker, I thank the member for his comments and observations.

There are some opportunities. I do not want him to get the idea that at any point in time we are not exploring them. One he will know about, which I have discussed with him, is the creation of a centre of excellence for environmental studies at the University College of Cape Breton for mediation of the tar ponds, which is the number one environmental disaster in this country. We look to the government for some leadership in that regard.

I mention that because he talked about Ottawa, the downsizing of the civil service and how they had to respond to that. It is interesting that we stand in the House of Commons with 301 members, all of whom stay somewhere in the city overnight. I

contrast that with the day that I made a presentation to the government's economic panel. The Department of Human Resources Development was pulling out of Cape Breton civil servants who worked with unemployed Cape Bretoners, centralizing them on the mainland. I have voiced case after case. It has tried to pull coast guard employees from Cape Breton and centralize them on the mainland.

That is not the thrust of my question. He also talked about community economic development. We have some of the best minds in community economic development in this country, such as Father Greg MacLeod, Rankin MacSween and people involved in New Dawn Enterprises.

Since he has been so critical of the NDP, my question to him as a member of the Liberal government is, why was not a single member involved in community economic development appointed to the economic panel to look at economic development in Cape Breton? Rather, we had an ex-Liberal senator, another well known Liberal school teacher—I know because he is my wife's first cousin—the president of ACOA and the president of the ECBC who will funnel through the money. Why was there not a single person involved in community economic development appointed to that panel by his government?

• (1810)

Mr. Joe Jordan: Mr. Speaker, I will take the question under advisement, but I do want to touch on it. The member mentioned environmental issues, so he has my attention and my heart.

It is important to point out that Cape Breton is still part of Canada. Cape Breton can still participate in ongoing programs. I am presently putting together a package for the minister to try to get some community development money into eastern Ontario. Cape Breton can do the same. I do not think we want to give people the impression—

An hon. member: Answer the question.

Mr. Joe Jordan: I did answer the question. I said that I would take it under advisement.

I think it is important to remember that Cape Breton is still part of Canada, that Cape Breton still has access to all of the programs and services that other areas of the country do. To somehow say that this is some sort of kiss-off is doing a disservice to it and really is not serving the long term interests of the area.

Ms. Wendy Lill (Dartmouth, NDP): Mr. Speaker, I am pleased to speak today to Bill C-11, which would authorize the divestiture of the assets of the Cape Breton Development Corporation. This

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bill is very important to me and to some of my constituents, as well as to many of my colleagues.

One of the legacies of the federal policy toward Cape Breton and its citizens is that the young people leave. They go down the road to find work. They go to Montreal, Toronto or Alberta. Many of them come to Dartmouth because it is closer to their families. I have neighbours and friends who leave Dartmouth most weekends to make the four hour trek back across the Canso causeway.

The problems which face industrial Cape Breton are misunderstood by many. This bill shows that the group that is most ignorant of the history and reality of industrial Cape Breton is unfortunately the federal government.

I sometimes find it useful to look into how misconceptions are created. Many in Ottawa follow mantras. These mantras are not real. They are not based on fact, but they are followed with a religious fervour by both the government and the opposition. The latest Ottawa mantras include such best sellers as "Cuts are Always the Best Policy", "Public Sector, Bad—Private Sector, Good", "Corporations are Always Right", and "Cape Breton is a Financial Money Pit". It is interesting that not only has this last mantra become government policy, but the same chant has been taken up by the Reform Party. I guess members of the Reform Party have finally become Ottawa insiders as well, adopting the bureaucratic mantras just as the frontbench opposite.

I want to bring the fallacies of these last mantras to the attention of the House. Cape Breton has been producing coal for 300 years, long before Ottawa bureaucrats existed to criticize the enterprise. The coal which was produced in Cape Breton fired the steamers which helped to build the British empire. It was a critical component of industrial expansion in the early days of Canada.

The contribution which Cape Breton coal made to our war efforts in both wars cannot be underestimated. At the end of the second world war, 17,000 workers kept Cape Breton coal moving, but there was no doubt that, as with many other industries, after the war there would be big changes to coal production in Cape Breton, and there were. The mines declined substantially and by 1965 they were ready for a closure which would have thrown 6,500 miners out of work.

The government of the day, a more progressive government than the one which has brought in Bill C-11, understood that allowing the collapse of the coal industry was against the public interest for two reasons. The Pearson government understood that there was a viable economic need for coal production to continue in Cape Breton. It is almost eerie how the setting up of Devco seemed to have foretold the oil crisis of the seventies. Until Devco, power in Nova Scotia was produced by oil generating stations. If these stations had not been changed to coal fired stations in the late sixties, the impact of the OPEC crisis would have decimated the Nova Scotian economy.

I have heard both Liberals and Reformers whine on about the money pit of Cape Breton requiring this drastic legislation, but I never hear them talk about the billions of dollars saved by businesses and residents of Atlantic Canada because of cheap Cape Breton coal being used to create electricity.

• (1815)

Neither am I hearing any argument coming forth from either the Liberals or the Reformers which explains where the coal for Nova Scotia's power plant is supposed to come from. Does the Reform Party want us to import electricity from New England or to just buy the coal? Does the government hope the lights just go out, or does it care?

The Pearson government understood that the impact of an economic collapse in Cape Breton would threaten the whole economy of Atlantic Canada. It understood that there were two sides to an economic equation, both expenditure and revenue. It knew that cutting back on a single line of the budget does not necessarily save taxpayer money. It knew that if it had no one working then everyone goes on EI and then on welfare. These are increased expenditures created by cutting expenditures. It also knew that no jobs means no paycheques, no taxes, no small business and no GST, creating a downward spiral which has significant costs associated with it. Cutting expenditures in this case means cutting revenues as well.

I have not heard members opposite crediting Devco with making \$6 billion. The bill could see 6,000 lost jobs in relatively small communities and 1,500 direct layoffs with up to three times that many lost due to the downward spinoffs. The impact is astounding. I firmly believe that economically destroying a community is what really creates a money pit, not working to preserve it. It not only fails to make economic sense, but it fails to make moral sense.

That is why there were provisions put into the act which created Devco to compel the government to ensure that all reasonable measures were put in place by corporations to reduce the possibility of economic hardship which can be expected from a closure.

There was an obligation set into law that the economic development of the area was part of the responsibility of the Devco Corporation. Devco was to plan not only for the production and sale of coal, but for local enterprises to take root and to have sustainable communities created for those who have given their blood, sweat, tears, their sons, their husbands and their environment to coal.

The people of Cape Breton were to have the opportunity to diversify their economic base. They were supposed to be allowed to try another way to contribute to the economic well-being of their communities. The government of Lester Pearson seemed to grasp the importance of federal assistance in this matter. There used to be an understanding that part of the public responsibility of the

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government was to help Canadians, not just guard corporate rights in an unfettered marketplace.

In question period today we heard again from the minister who keeps harping about corporate viability this and market value that. When will the government look into community viability? When will he recognize that we need consumers for a marketplace? When will he recognize that labour is required to create market value? These are important ideas and we need to work with the wonderful people of Cape Breton to establish alternatives which build their communities.

Atlantic Canada is seen by many as a one way street, a money pit. Nothing could be further from the truth. Atlantic Canadians work very hard and they like to work hard. They want to be productive, but government policy seems to have been designed to ensure the failure of our economy. It has reduced the availability of EI to workers who need it, which has disproportionately affected Atlantic Canada.

TAGS is a joke, again a joke of which Atlantic Canadians have borne the brunt. Now we see in Bill C-11 an increase on the attack toward Cape Breton. Let us have a meaningful dialogue with Atlantic Canadians on ways to fix our economic problems, on ways to help keep our children in the region, on ways to use government policy to help, not hurt Atlantic Canada.

I would also like to point out some other costs to closing Devco which have been ignored by this government and by the provincial Conservative government and which do not fit easily on to an accounting sheet. How do we cost the fear of cancer because of the environmental legacy of the coal and steel industry? Where on the government balance sheet would we put the anxiety that older workers feel seeing their years of service reduced to a buyout or the equity they have in their homes evaporating due to the economic effects of this legislation?

• (1820)

I heard the hon. member for Broadview—Greenwood ask my colleague who represents most of the affected miners how much money would be required to make her happy if there was a blank cheque available. I found it a very difficult question to hear put in this place. It showed ignorance of Cape Breton and demonstrated the mindlessness of the mantras put out by this government.

I would ask hon. members opposite where the supposed and probably modest savings which may be seen by killing the economy of Cape Breton will be placed. Do they believe that Cape Breton's savings should go to subsidize more corporate boxes at Maple Leafs games? Should savings made by destroying Glace Bay go to the NHL subsidies, or perhaps to big tax cuts for wealthy Canadians? This approach to government, punishing a poor region and giving more to the wealthy, is divisive and morally bankrupt.

We need to be working on ideas such as community economic development, alternative approaches to financing small business, tourism and jobs, and the urgent clean-up of the toxic legacy which existed in industrial Cape Breton.

My colleagues have talked about renewable energy industries. We have talked about national shipbuilding. There is no end of good ideas and people in Cape Breton who want to execute them. These are the kinds of ideas that we need government policy to support, not the short-sighted approach taken in Bill C-11.

In conclusion, I urge the government to scrap this punitive, mean-spirited piece of legislation and to go back to the basic principle of working with Cape Bretoners to develop a fair funding package which will give Cape Breton a future and not just a past. The responsibility of parliament in this matter is to assist the people of Cape Breton in developing new economic roots which will sink into their beautiful earth. We owe them that much and much more.

Mr. Brent St. Denis (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Speaker, I listened carefully to the hon. member's comments and, as with others, I appreciate the passion and concern with which she expressed her views.

I would like to focus on a particular point. I am not sure if she was here when I made a comment earlier in the afternoon that in my own northern Ontario riding, with a history of mining, forestry and the natural resources sector in general, we have suffered the ups and downs which are typical unfortunately of mining, forestry, et cetera.

It has become obvious to me that local solutions end up being oftentimes the best solutions when communities face a challenge. I do not think that ideas from the nation's capital can be any better than the ideas that come from local communities.

I have used the example of Elliot Lake in my riding which suffered significant job losses a few years ago, numbering in the neighbourhood of 4,000 jobs to be more precise. Without wanting to compare communities, because I do not think that is fair, I can say that the degree of local leadership shown in that community and in the neighbouring communities proved to me that the best ideas, the most substantive and substantial ideas, come from the people themselves.

I would ask the hon. member to comment on whether she agrees that the local communities, their leaders and individual Cape Bretoners are the best people to decide on how to use some financial resources to find the best future for their communities and their families. Instead of simply ploughing seemingly endless amounts of money into the coal industry, after 30 years might it not be best to invest in the people themselves and their own creative ideas? I would ask her to comment on the importance of local leadership when it comes to investing in the future.

Ms. Wendy Lill: Mr. Speaker, we are certainly in agreement that what is required is local solutions to a problem which has existed for a great length of time.

• (1825)

Going back to the point when the Lester B. Pearson's government looked at Cape Breton, it said it would continue to work with Cape Bretoners until it was successful in growing some new economic roots after coal mining was no longer an option.

Quite frankly everybody that has been speaking today has been saying that we want local solutions. There are local solutions. There are fabulous community development efforts and thinkers who are there right now willing to take the ball and run. However, they need a credible, decent amount of money and investment on the part of the government which committed long ago to this very effort.

We are simply asking for the government to keep its commitment to the people of Cape Breton which was started many years ago with Lester Pearson.

Mr. Peter Mancini (Sydney—Victoria, NDP): Mr. Speaker, I thank my colleague for her comments. I think she made some interesting and excellent points.

She talked about the number of job losses and the spinoff job losses. It is important to bear in context that when she talks about 6,000 job losses they are in a population of 100,000 people in the industrialized area and the impact is enormous.

She talked about the impact on other governments. The reality is that the federal government is downloading those costs on to the province of Nova Scotia. Once unemployment runs out and once the people employed in those industries look to social assistance, it is the province of Nova Scotia which will have to foot the bill. That province is already reeling from a huge deficit.

She has made some interesting points. I also want to add that I think she has a unique perspective on Cape Breton and certainly on its culture. Members know she is a playwright, but one of her great plays is *Glace Bay Miners' Museum* in which she captured some of the cultural aspects of Cape Breton. I do not know whether she wants to share those thoughts with us on creating characters that were so determined and resourceful and I think accurately reflected the people of Cape Breton.

Ms. Wendy Lill: Mr. Speaker, that is a question that sort of throws me for a loop. It is fair to say that I have a rather poetic attachment to Cape Breton and to the people whom I see as being resourceful beyond the pale.

I guess the issue is the myth that people in Cape Breton do not want to work, want to collect government money, and the whole

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money pit thing. That is so absolutely far from the truth that there is no one I have ever seen who wants to work harder and longer and live harder and longer than the people of Cape Breton. They want to do it with integrity, with enormous chutzpah, with humour and with black humour. I think the culture of Cape Breton gives the country a colour that we would be sorely lacking without.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, it is with great honour that I rise as the NDP natural resources critic to speak to Bill C-11, an act to authorize the divestiture of the assets of and to dissolve the Cape Breton Development Corporation.

Sadly we have here another example of the Liberal government abandoning the people of the Atlantic. About a year ago Premier Brian Tobin of Newfoundland said that the Atlantic did not abandon the Liberals, that the Liberals abandoned the Atlantic.

Not too long ago a person I am not shy to say is not my best friend, the premier of New Brunswick, Frank McKenna, said that the federal government was forgetting the Atlantic provinces and was not investing in the Atlantic provinces for economic development. He only realized 10 years later, now that he is not in, what his Liberal colleagues were doing. They took all the money they could and probably gave it to their friends. The reason the economic development of the Atlantic provinces never happened was that the Liberals gave too much money to their friends.

• (1830)

Devco was created by the federal government in 1967 to rescue the coal industry in Cape Breton. Now, 33 years later, the government is turning its back on the hard-working men and women of Cape Breton and creating great devastation for both the economy and the community of Cape Breton.

When I hear speakers today in the House of Commons it sounds as though the government has paid welfare for 33 years. Where is the respect for those miners who went underground and worked day and night? When people work in a mine they are dirtier than we are when we leave the House of Commons.

Mr. Myron Thompson: I don't think so. Did you work underground?

Mr. Yvon Godin: I worked underground for 15 years. Maybe my friend from the Reform Party thinks a person getting out of a mine is not dirtier at night than a person getting out of the House of Commons, but I worked with miners underground and I know what it is all about.

I feel that the House of Commons is lacking respect for the people of the Atlantic provinces and the miners who work underground. It is a shame. It is also a shame to hear the speakers get up in the House of Commons and talk they way they do about our

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miners, the people who furnish coal to this country and other countries around us. We should not be surprised that the Liberal government is backing out of its responsibilities. It is nothing new.

What I find absolutely appalling is the government's determination to take away the little protection that was given to employees in the original Devco act. The original act of 1967 stipulates that the Liberal government cannot get out of its responsibility to Devco until it has fulfilled sections 17 and 18. Why is the government now proposing an amendment that will allow it to abdicate its responsibility under sections 17 and 18? This proposal shows how little respect the government has for Devco employees.

Some members might ask why sections 17 and 18 are so important. Let me take the time to read them out so that we know exactly what we are talking about.

On page 1, subsection 17(1) of the original act states:

—the plan shall take into account progress in providing employment outside the coal producing industry and in broadening the base of the economy of Cape Breton Island.

Let me pick up under subsection 17(4) of the original act which states:

Before closing or substantially reducing the production of coal. . .the Corporation shall ensure that

(b) all reasonable measures have been adopted by the Corporation, either alone or in conjunction with the Government of Canada or of Nova Scotia or any agency of either of those governments, to reduce as far as possible any unemployment or economic hardship that can be expected to result from the closing or reduction in production.

Now the act is very clear. It states that Devco shall ensure that all reasonable measures have been adopted to reduce unemployment or economic hardship. This absolutely does not make sense. The government is defending what it did in the fishery industry. It dropped the fishermen just like that. It was not enough that we got caught in this country and around the world with new technology that took away jobs, the government cut employment insurance so that 800,000 people no longer qualify for EI, in spite of all the fishery and natural resources we have in our country. That is where the pain is.

When my friend across the floor talks about northern Ontario and the industry in Elliot Lake, what industry is he talking about? People went there to retire. That is not an industry. It is a place of peace not a place of work. It is a shame to get up in the House of Commons and talk like this.

Does anyone wonder why there are no Liberals in Nova Scotia? They lost their seats because they did not know how to deal with Canadians when they had a problem. They would drop them just like this because that is how the Liberals do it. Shame on the Liberals and the Liberal government. Shame on the Liberal govern-

ment for the way it is dealing with the mining industry in Cape Breton today. Shame on the Liberal government for its actions on the fishery in the Atlantic provinces. Shame on the Liberal government for its actions on the fishery in B.C. Shame on the Liberal government for its actions on the agricultural issue and the farmers in Saskatchewan and Manitoba. Shame on the Liberal government. The government's record is not good.

• (1835)

How can the government back down from the original Devco commitment? The minister has said that his proposed amendment will not affect the government's commitment to sections 17 and 18. If that is the case, why remove them? Why remove them if it does not affect these sections?

I always said when I negotiated collective agreements that we take something away from the agreement because it bothers us. If it does not bother us, then we leave it alone. Why is the government removing it here? It is because it bothers the government. It is because the government wanted to lock up Cape Breton.

I know how the people of Cape Breton feel. The people of Acadie—Bathurst feel the same way. Members know what happened to Doug Young. He was thrown out the door because of the way he treated the people of Acadie—Bathurst. What happens in Nova Scotia? The government appoints Bernie Boudreau to the Senate. Shame on the Liberal government. The government has always treated the Atlantic provinces this way.

I have said all along that the government wants the workers from the Atlantic provinces to go across the country and plug the holes where qualified workers are needed to do the job. It happens all the time.

I work. I come from a family of 11. In the fall one of my brothers had to leave at the age of 58 years. The government thinks it is funny when it splits families. In March one of my brothers at the age of 52 had to leave and go to work in northern Ontario in order to get a job. This hurt the whole family.

My friend across the way talked about northern Ontario and how pitiful it is. My friend can visit the Atlantic provinces. I invited the former minister of human resources many times to visit the Atlantic provinces. He refused to go. I hope the new minister of human resources will get out of Ottawa and all the other nice places she can travel to and go to see the people and families who are hurting.

The Liberals say that too much is being given to the Atlantic provinces. We have to realize what is given to the Atlantic provinces. Personally I do not think anything has been given. The government has taken away from the Atlantic provinces all of our resources, all of our wood and all our fish. There has been mismanagement of our fisheries by DFO. There has been mismanagement of our forests.

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The federal government has given some provinces loans. The federal government says when a tree is cut down another should be planted in its place. We did not have that for years. Where was the government when we lost our resources? This is not the only problem.

The Deputy Speaker: Order, please. I regret to interrupt the hon. member, but I can advise him that when the bill is next before

the House, he will have 10 minutes remaining in the time for his remarks.

It being 6.38 p.m., this House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6.38 p.m.)

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