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# **HOUSE OF COMMONS**

#### Thursday, October 19, 2000

The House met at 9 a.m.

Prayers

• (0900)

[English]

#### PRIVILEGE

#### DEPARTMENT OF JUSTICE-SPEAKER'S RULING

**The Speaker:** I am now ready to rule on the question of privilege raised by the hon. member for Ancaster—Dundas— Flamborough—Aldershot on June 15 concerning interference with a vote in the House.

• (0905)

#### [Translation]

I would like to thank the hon. member for raising this matter, as well as the parliamentary secretary to the Minister of Justice, the hon. member for Winnipeg South and the House Leader of the Official Opposition for their submissions on this issue.

## [English]

The hon. member for Ancaster—Dundas—Flamborough—Aldershot stated that the Department of Justice had wilfully misled members with respect to the views of the privacy commissioner concerning Bill C-206, an act to amend the Access to Information Act and to make amendments to other acts by circulating a document in which the commissioner was characterized as opposing the bill.

He claimed both that the privacy commissioner had indicated support for the bill and that, in any case, the commissioner had not made his views with respect to the bill known when the Department of Justice had prepared the document which it provided to members.

## [Translation]

The Parliamentary Secretary to the Minister of Justice, in his intervention, indicated that the government considered the comments in the document to be a fair and accurate assessment of the privacy commissioner's view. He cited a number of sources in support of this position, including a meeting with officials of the Office of the Privacy Commissioner as well as the privacy commissioner's annual report tabled in the House on May 16, 2000.

## [English]

I examined with care the document submitted and I have reviewed all the arguments presented to me. This is a matter which the Chair views with extreme seriousness.

Speaker Jerome, when dealing with a case related to the misleading of a member, quoted the procedural principle d issue which is clearly set out in Erskine May (*Journals*, November 9, 1978, page 126):

It is a breach of privilege to present or cause to be presented to either House or to committees of either House, forged, falsified or fabricated documents with intent to deceive such House or committees—

Clearly, there is disagreement in the present case over the interpretation of the views of the privacy commissioner available to the government prior to the vote on Bill C-206. However, it is not the Speaker's role to adjudicate concerning such matters of interpretation. What I am required to rule on is a more narrow procedural issue: whether a wilful attempt has been made to mislead the House. While members may disagree with the way in which others view a situation, at times disagree very strongly, that is a different matter than the serious charge that such an interpretation is knowingly and wilfully false. Only on the strongest and clearest evidence can the House or the Speaker take steps to deal with cases of attempts to mislead members.

In the present case, on the basis of the statements made in the House and of the documents presented for the Chair's consideration, I can find no support for a claim that the privileges of the House have been breached in this way.

I would like to thank the hon. member for Ancaster—Dundas— Flamborough—Aldershot for drawing this matter to the attention of the House.

#### Private Members' Business

[Translation]

The Acting Speaker (Ms. Thibeault): Pursuant to order made on Tuesday, October 12, 2000, the House will now proceed to consideration of Private Members' Business as listed on today's order paper.

# **PRIVATE MEMBERS' BUSINESS**

[English]

## GENETICALLY MODIFIED ORGANISMS

The House resumed from June 12 consideration of the motion.

Mr. Larry McCormick (Parliamentary Secretary to Minister of Agriculture and Agri-Food, Lib.): Madam Speaker, I am very pleased to rise in the House today to respond to Motion M-230.

• (0910)

The motion by the hon. member for Louis-Hébert has two parts. The first part would make labelling a genetically modified food compulsory. The motion also calls for the government to carry out exhaustive studies on the long term effects of genetically modified foods.

Let me begin by saying that the protection of our food supply for the well-being of Canadians, animals and our environment is of the utmost importance to the government. Canada's food supply involves many hardworking partners from producers, processors and distributors to consumers. Throughout the system new food products, including those derived from biotechnology, are subject to stringent regulation, enforcement and inspection. Canada has high standards for new food products of biotechnology and we are known world wide for them.

On the question of labelling foods, our federal legislation calls for Health Canada to set the requirements for mandatory labelling. Each new food product, whether produced through biotechnology or some other process, must go through a rigorous pre-market safety evaluation before it can be introduced on to the marketplace. The data requirements for the safety assessments are established by Health Canada.

The Canadian Food Inspection Agency, on the other hand, is responsible for all aspects of the federal food legislation relating to non-safety matters, such as the control of fraud in food labelling. The agency carries out inspection and enforcement activities relative to food safety standards set by Health Canada. The CFIA also has responsibility for the environmental safety assessment of a number of agricultural products, such as plants, animal feeds and veterinarian vaccines, including those derived through biotechnology. In carrying out these responsibilities, the CFIA protects consumers from food safety hazards or product misrepresentation, as well, it protects the safety of animals and the environment.

Let me be clear that current labelling regulations in Canada require that all food products, including those developed through biotechnology, be labelled if a potential human health or safety issue has been identified or if foods have been changed in composition or nutrition. Labelling decisions are made by Health Canada and are based on the results of their food safety evaluations. These decisions are science based. In fact, the best available science is used to make these decisions.

Let me address the first part of the motion before us by reminding the House that several initiatives are already now in place to study the question of how and when to label a genetically modified food.

The government believes that all food labelling must be truthful, meaningful and enforceable. We have strongly encouraged the establishment of a Canadian standard for the labelling of foods derived through biotechnology. This standard will include provisions for clear definitions, acceptable label statements and claims in advertising, as well as compliance and verification measures.

The Canadian General Standards Board, under the sponsorship of the Canadian Council of Grocery Distributors, is in the process of developing this standard through open and inclusive consultation.

Representatives and individuals from a broad range of Canadian interests have formed a committee to work on this standard. They have been working hard over the past year and are putting together a definitive draft standard which is expected to be completed over the next number of months. By endorsing a consensus based process to develop a labelling standard, Canada is indeed a leader world wide.

Just recently the U.S. food and drug administration announced its attention to facilitate a voluntary labelling approach, a development process that will start this fall. In addition to such initiatives, the Standing Committee on Agriculture and Agri-Food began its hearings on the labelling of genetically modified food this spring. It has already heard from Health Canada, the CFIA and consumer groups. Canada is leading the development of international standards governing how and when genetically modified foods are labelled.

As the hon. member is aware, Canada chairs a Codex Alimentarius committee on food labelling, otherwise known as the CCFL. At the May 2000 Codex meeting in Ottawa, Canada was recognized for its success in chairing the CCFL working groups that drafted key options and recommendations for the labelling of biotechnology derived foods. Again this year Canada has been asked to lead a working group to turn these May 2000 options into a Codex guideline that can be then implemented.

• (0915)

Informed consumers making informed choices is paramount. These initiatives represent a significant and dedicated effort by Canadians for Canadians as we seek the best way to make truthful, meaningful information available to consumers.

I reiterate that the House should not support Motion No. 230 on the basis of the first part of the motion on labelling and turn to consideration of the second part of the hon. member's motion.

The second part recommends that exhaustive studies be carried out on the long term effects of genetically modified foods on health and the environment. The safety assessment of conventional products and products derived through biotechnology are both subject to stringent health and safety requirements under Canada's food safety system. The Government of Canada is diligent when it comes to food safety and the protection of Canadians, animals and the environment. Our regulatory process is fundamental to Canada's strong reputation as a producer of foods that are consistently safe, nutritious and of high quality. Canada built its international reputation by putting very rigorous regulatory systems in place.

Our approval systems are science based and transparent. The government's decision to accept or reject a product is based on sound science and factual information. Federal regulatory scientists have experience in a wide range of areas, including nutrition, molecular biology, chemistry, toxicology and environmental science to name just a few.

Canadian regulators set the comprehensive data requirements for the environmental safety of new agricultural products derived through biotechnology. These scientists demand that the quality of this data be of the highest calibre and that the research directly assess and address the potential risks of the product to human health and the environment. If there is any question as to the safety of these products, they are not approved. The government continually reviews the effectiveness of its approach.

The Government of Canada takes pride in advocating its science based approach around the world. It relies on the need for scientific research to settle questions related to long term health, safety and environmental issues. The government is committed to a regulatory system that meets the highest standards of scientific rigour.

This commitment is reflected in the establishment of two important groups, an expert panel and an advisory committee. The Royal Society of Canada has appointed an independent expert panel to examine future scientific developments in food biotechnology and to provide advice to the federal government

#### Private Members' Business

accordingly. This proactive, forward thinking body would advise Health Canada, the CFIA and Environment Canada on the science capacity the federal government will need to maintain the safety of new foods being derived through biotechnology in the 21st century.

The royal society named its expert panel this past February. From examining the leading edge of this technology, the panel will recommend what new research, policies and regulatory capacity will be needed to ensure that Canada's standards of safety remain stringent for the next generation of biotechnology derived foods.

A number of challenges and opportunities associated with biotechnology require detailed consideration and public discussion. Food biotechnology presents Canadians with challenges but also great and unprecedented opportunities.

The Canadian Biotechnology Advisory Committee, or CBAC, will bring stakeholders and interested parties together to advise the government, to raise public awareness and to engage Canadians in an open and transparent dialogue on biotechnology issues. Canadians want to take part in the dialogue on food biotechnology.

The CBAC will create opportunities for Canadians to participate in its activities and discussions. This includes an interactive website for interested Canadians to review, consult and provide input into this topic among others.

The work of the royal society's expert panel will contribute to this balanced and consultative process where all questions and concerns can be thoroughly considered. The government looks forward to the contributions the expert panel and the CBAC will make to furthering the dialogue on biotechnology issues.

I assure the hon. member for Louis-Hébert that the government will continue to undertake the steps necessary to ensure the health of Canadians, animals and our environment.

• (0920)

The 2000 federal budget confirms this priority in Canada's regulatory system. The \$90 million investment in the regulatory system for biotechnology products will allow Health Canada, through the CFIA and other regulatory departments, to continue to enhance and evolve their regulatory approach of safety first to keep pace with the next generation of scientific discoveries.

This increased investment illustrates the Government of Canada's continued dedication to supporting the regulatory system for the benefit of all Canadians. We can take pride in the steps the Government of Canada has taken. We have initiatives under way to ensure—

The Acting Speaker (Ms. Thibeault): The House has already given the hon. member as much time as possible.

## Private Members' Business

**Mr. Rick Borotsik (Brandon—Souris, PC):** Madam Speaker, before I get into the meat of the motion itself I would like to thank the hon. member for Louis-Hébert for bringing forward a motion with respect to genetically modified foods.

I have had the opportunity for most of my time in the House to sit on the agricultural committee. It has been a very enjoyable part of my business here. I am sure the hon. member for Louis-Hébert brings this motion forward because she honestly believes in her heart that this is the most important issue now facing Canadians, particularly in agriculture. The hon. member is very knowledgeable. She speaks very eloquently to the motion put before us today with respect to mandatory labelling and making sure that when foods are put forward to the Canadian public they are safe and edible.

In my constituency of Brandon—Souris agriculture is a very important facet of the economy. The economy of my area is basically agriculture. As we know, agriculture has not had too many bright spots recently. We have had a major problem with competition from the Europeans and Americans, particularly in terms of unfair subsidization. We have had some disasters in my area and suffered subsequent losses in production. There has been a cloud over agriculture.

If there is one bright spot, it could and should be biotechnology and genetically modified organisms. There is a real opportunity here in agriculture to diversify. There is a real opportunity to make sure that agriculture increases its production in the next numbers of years through biotechnology and genetically modified organisms.

The subject of GMOs makes most people nervous. It makes most consumers nervous. Although much of the focus in the media has been on food products derived from biotechnology, pharmaceuticals and health and pest control products on the market are also derived from biotechnology.

With respect to food products, biotechnology has the potential to increase the competitiveness of the Canadian agrifood industry by increasing individual competitiveness and exporting high value agrifood products.

Biotechnology has the potential to increase the yields needed to compensate for the increase in world population. It offers the opportunity and the potential to develop more sustainable agricultural practices by reducing the need for chemical weed and pest control. This in itself is a major potential opportunity in agriculture.

Biotechnology has the potential to enable the environmentally beneficial practice of no-till agriculture. This would reduce carbon dioxide emissions. Biotechnology also has the potential to create markets by introducing value added products, the diversification that agriculture so desperately needs.

There is the potential for value to be passed on from the producer to the consumer. This can and is being done, and we can prove it. It is possible to immunize the population by placing in foods medications to lower cholesterol, for example. These are known as neutraceuticals or output traits.

• (0925)

For example, it was reported recently that scientists in the United States have created a strain of genetically altered rice to combat vitamin A deficiency, the world's leading cause of blindness.

The challenges we must face in creating a solid and dynamic biotechnology industry are two-fold. First, we must create a climate in which industry sectors can flourish both here and internationally. Second, we must meet the public's concerns about their own health and the environment in terms of the safety of genetically modified organisms.

Genetically modified foods have helped the Canadian agricultural industry become competitive in the global economy. They have helped farmers make better use of their land and provide more food for a world that needs food. However, it is absolutely mandatory that the government take every step possible to address the definition of genetically modified foods and to protect consumers.

The principal concern with the use of biotechnology in food products is the question of food security. Numerous reports, mostly from Europe, have negatively impacted consumer confidence in Canada as a result of claims made about food safety. There are concerns that there is not enough risk assessment work being done on consumer products delivered from biotechnology in Canada.

Consumers have clearly indicated that they want to be informed, through labelling, about foods that have been altered, and favour such foods that provide tangible benefits. An Angus Reid survey found that two-thirds of Canadians say that they would be less likely to buy food they know has been genetically modified. I would argue that the simple part is the change of label. A far more extensive process is needed to determine the GM status of foods and to monitor their continuing status. In any event, developing national guidelines on labelling must be done in conjunction with the development of standards at the international level, for instance through the Codex commission, the international standards setting body for foods.

With regard to agriculture and agrifood, the Canadian food inspection agency conducts safety and environmental assessments of fertilizers, seeds, plants, plant products, animals, vaccines animal disease kits and feeds. It also enforces portions of the Food and Drugs Act. Health Canada is responsible for assessing the safety of novel foods that may include biotechnology products.

Before a genetically modified crop is approved for production it must pass through a series of rigorous tests designed to protect the health of humans, animals and the environment. When biotech companies wish to market a certain genetically modified organism, they must provide all information required to carry out an environmental safety assessment. Without providing the necessary information, approval will not be granted.

That being said, there is still much work to be done in terms of long term studies on health and environmental considerations.

The Progressive Conservative Party believes Canada's biotechnology industry and genetically enhanced foods have for the most part benefited our agriculture and agrifood sectors and Canada as a whole. Biotechnology offers major opportunities to improve both environmental integrity and food quality.

However, as technology advances quickly, there are also concerns that biotechnology will put the safety of Canada's food at risk. That is why our biotechnology regulatory system must be based on science. The federal government must still actively play a role in clarifying and explaining future Canadian policy on labelling in consultation with all stakeholders in order to help alleviate any concerns Canadians have with respect to GMOs.

The federal government must be more forthcoming in explaining the regulatory system to Canadians. The federal government must ensure that there are sufficient resources and expertise within both Health Canada and the Canadian food inspection agency so that Canadians retain a high level of trust in the regulatory process for GM products. The whole country is looking to the government for leadership on this issue. It is an issue that must be addressed. The Department of Health must provide the regulatory system to control this whole subject. Labelling is part of that, but it is not enough. It does not go far enough.

The onus is on the government to deal with this situation. I applaud the hon. member for bringing forward this motion requiring labelling, but it is not enough. It does not address some of the main issues.

The Standing Committee on Agriculture and Agri-Food has not yet completed its analysis of this issue, and this motion would unnecessarily pre-empt the work of the committee. Exhaustive studies on the long term effects cannot be defined. It would be very difficult to do exhaustive studies on the long term effects without stopping the process now.

#### • (0930)

Finally, the Progressive Conservative Party unfortunately will not be supporting the motion although I do have the utmost respect for the member for Louis-Hébert. Unfortunately it is not the best way to assure Canadians that the genetically modified organism debate is ongoing. It is necessary that government be more forthcoming with Canadians. It is necessary that Canadians be educated on the benefits of genetically modified organisms.

## Private Members' Business

In grocery stores right now, a number of the products on the shelves do have components of genetically modified organisms and have for years and years. We see a great deal of opportunity in biotechnology and GMO. We do not believe that a mandatory labelling system right now should be done without the international concurrence of other trading partners of ours. For that matter, consumers, to be better educated, must have input as to what is going to happen with respect to GMO.

## [Translation]

**Ms. Jocelyne Girard-Bujold (Jonquière, BQ):** Madam Speaker, I am pleased to address Motion No. 230, presented by the hon. member for Louis-Hébert and which asks the government to make the labelling of genetically modified foods compulsory and to carry out exhaustive studies on the long term effects of these foods on health and the environment.

A lot of progress has been made since the month of May. A similar motion was presented by an NDP member and, less than a week ago, the member for Davenport introduced Bill C-500, which also seeks to make the labelling of genetically modified foods compulsory.

I would like to congratulate the hon. member for Louis-Hébert for her determination. All the members of this House are now aware of this issue and some are even following her example by proposing similar measures. This is all to the credit of my colleagues.

The issue of GMOs involves many aspects, particularly as regards health. But today, I want to emphasize the environmental aspects. The environment must be a central concern, if only because it is related to health.

It all began in 1996 with the Convention on Biodiversity, which sought to deal with the issues relating to ecosystems and species by providing a framework of principles on which signatory states agreed.

Article 19 indicates that the signatories must be encouraged to put into place tools which will regularize, manage or control the risks related to the use or presence of living modified organisms resulting from biotechnology.

After the Rio conference, and within the framework of meetings of the parties to the Convention on Biodiversity, negotiations for the creation of a protocol on biosecurity were soon to follow, with a view to providing a more solid and detailed framework as far as prevention of biotechnological risks are concerned.

The meetings between countries on biodiversity that have taken place since Rio are: Nassau, in November and December 1994; Jakarta, in 1995; Buenos Aires, in 1996; Bratislava, in 1998: and Nairobi, in 2000.

## Private Members' Business

At the Jakarta meeting, the parties to the convention decided to put into place a special group charged with preparing a protocol specifically on biosecurity, an issue related to the transfer and handling of genetically modified organisms.

In 1999, at a multilateral meeting in Cartagena, negotiations focused on a project aimed at creating a risk evaluation procedure for GMOs and rules for their labelling.

Most regrettably, Canada unfortunately blocked ratification of this protocol, joining forces with the five country Miami group led by the United States.

#### • (0935)

As for the European countries, they felt that the principle of precaution ought to take precedence, believing that in the absence of scientific certainty on the hazards of GMOs it was necessary to take all of the steps needed to avoid harmful effects on human health. A responsible attitude, in my opinion.

Unfortunately Canada opposed this example of responsible management of a product with potential danger to human health. Clearly Canada has always defended commercial interests. Moreover, this was pointed out by the Commissioner of the Environment and Sustainable Development in his last report in May.

I would like to quote a new study that was released last July which tends to confirm that the pollen from genetically modified corn is fatal to the larvae of certain butterfly. This adds fuel to the GMO controversy.

A number of countries manage GMOs rationally. They make labelling of food containing such products mandatory. In truth, they make the precautionary principle a priority.

It is paradoxical to note that this week the Minister of Health favourably received the recommendation of the Standing Committee on the Environment that the precautionary principle be applied in the registration of pesticides.

The minister of agriculture could care less about the precautionary principle in the case of the GMOs. When will this government be consistent in its positions? I do not suppose it will happen overnight.

GMOs can have considerable impact on the environment through the transmission of genes in nature, in other words, the gene flow. This is no theoretical eventuality but a certainty which has been shown in many countries, including in Africa.

It is distressing to see certain multinationals, certain Canadian companies, testing genetically modified crops in the open. The government must be aware that this approach releases into nature the characteristic of resistance to herbicides of certain GMOs, which could find their way into natural species.

This is therefore not rare, and we learned this fact in a report by Radio-Canada on the weekend in which huge fields in Africa had become sterile because of genetically modified seed. Given that the development strategy of many African nations relies heavily on the export of raw materials, particularly agricultural ones, it is clear that the issue of genetically modified organisms is of great concern.

All this is to say that urgent action is required and that the federal government should make labelling of genetically modified foods compulsory. With all these problems, it is easy to understand the public's fears. People want to know what they are eating. We know that at the present time between 30% and 50% of canola plants in Canada are GMOs.

I am not trying to upset members of the public by telling them to stop eating products containing canola or to stop eating altogether. That is not my purpose today. Given the risks associated with GMOs, I think the government has a moral obligation insofar as it is required to ensure public safety. How can the government allow the public to go on being afraid that what they are eating is a time bomb.

As with the issue of pesticides, caution must prevail and I urge the member for Davenport to wake up and get this across to his Liberal colleagues. The member for Davenport, who tells all and sundry that protection of the environment is his priority, must support the motion by the member for Louis-Hébert. When we vote, I want him to know that I will be watching him.

Consumers, people just like us, all those listening today, must know exactly what they are eating. That is why all parliamentarians in the House should support the motion by the member for Louis-Hébert and get it passed today so that we can resume consideration of it after the election.

• (0940)

## [English]

Mr. Howard Hilstrom (Selkirk—Interlake, Canadian Alliance): Madam Speaker, I am pleased to be here today to speak to Motion No. 230 with regard to genetically modified organisms.

I would like to point out that my speech will be relatively short. I found the solution to long speeches in this place when I had a farm accident and broke my leg. As a result I cannot stand for long periods, so I will make my speech relatively short.

I have been listening to the Bloc Quebecois talk about genetically modified organisms. What I hear throughout their speeches is in essence fear-mongering to the Canadian public that there may in fact be something wrong, that there is a time bomb on our plates.

This kind of discussion appeals more to the emotions of Canadians and not to the scientific evidence that is in place. When it comes to issues of food and food safety in Canada, we have to rely on science, not on emotion. The scientific facts are that Canada's food supply is safe and that it is going to continue to be safe because we have a bureaucracy in this country that is reflective of Canada's desire for a safe food supply.

I can tell members absolutely that in the agriculture standing committee I have asked every witness who came forward this question "Are you aware of anyone who has ever become sick or ill from eating genetically modified products or who in any way felt that food they ate that contained genetically modified products made them sick in any way?" Every one of them said that not in any place in this whole world has there been a case like that.

Even if the science is not 100%, and there is always risk in everything, I think the scientific evidence to date is very clearly on the side that shows foods produced from plants that have had a genetic modification for disease resistance or pest resistance are in fact safe. Until there is some kind of evidence or until something shows up that would actually indicate a threat of any kind to human health, or an unacceptable risk even, I will even go that far. There is no unacceptable risk at this time. I do not believe that our scientific community or the Canadian Food Inspection Agency would ever let that happen, because nothing gets onto our plates that has not been fully checked.

The Canadian Alliance strongly believes that consumers must be given a choice in the products they purchase. A consumer driven, voluntary labelling system for GMOs should be put in place immediately, which would market GMO-free products in a way similar to organic foods. No one is saying that we should not have labelling if the wholesalers, retailers and consumers want it.

Our government on the other side, the Liberal government, has been very slow in bringing about the necessary studies and research to indicate what should be on a label if in fact a food distributor wanted to put something there. We are not against labelling but we are against labelling that is mandatory, that would be put in place right now like the Bloc would have it, without any knowledge about what in fact should go on the label. In effect it would be like trying to tell people that we do not have any real scientific evidence but they should be afraid of something that has GMO on it.

Certainly Canada's position right now not to support mandatory labelling is the right one, because there is no consensus as to what should even be on the label. If food distributors start putting big scientific explanations on labels, I guarantee that the very consumers the Bloc is talking about will not understand it and will not be any better informed than if there is nothing on there and they rely on the food inspection agency, which guarantees that the food is safe, that it will not harm them.

## Private Members' Business

• (0945)

I have mentioned that regulatory decisions involving Canada's food supply must be based upon clearer scientific information. There is no alternative to that. Emotion cannot be the deciding factor, or provinces or countries which for economic reasons might want to use the big GMO scare as a non-tariff trade barrier or protect some other social or economic issue they feel is pertinent to their region. I am thinking either of Canada or, in the case of our trading partners, the whole world, the best example being European countries.

It is a clear fact that the European countries, the very ones the Bloc is saying are in favour of mandatory labelling, are proceeding with scientific research and development of GMO products. If we do not continue with our scientific endeavours, the economic future of the new technology and new industries that will be important in years to come will be located in Europe, not in Canada or North America.

I also hear the scare about big companies, those ferocious companies that will ruin the world. That is a very socialistic kind of concept. Big corporations provide us with a lot of our jobs and have the wherewithal to make scientific advancements like we see happening in space and in biotechnology. These things would not happen without the corporate structure to drive them.

We have seen countries like the Soviet Union that have tried to do it through regulatory processes. That does not work. In a market driven economy consumers will tell retailers. Retailers who want to make a profit will respond by saying that it seems folks want mandatory labelling showing that the corn, for example, has been genetically modified. Therefore they agree, the food is safe, and wholesalers respond.

While that is all well and good, those three levels must understand that there is a cost to everything. That cost cannot be passed on to grain companies that pass it along to farmers. Our farmers cannot afford the cost of segregating grain and delivering it through to elevators and railways.

I did not hear the Bloc Quebecois saying anything about how mandatory labelling would be paid for. I guarantee that by hook or by crook it will not be western Canadian farmers who produce canola and whom the Bloc has identified as culprits in the GMO issue.

I have laid out the position of the Canadian Alliance. We want consumers to choose and for the government of the day, which after November 27 will be the Canadian Alliance, to put in place a very clear voluntary labelling system so that retailers know what kind of informative label to put on.

I expect to be back here in January 2001. I do not expect to be sitting on this side of the House. I expect to be on that side of the House. I do not expect to see the member for Brandon—Souris here either.

## Private Members' Business

Mr. Dennis Gruending (Saskatoon—Rosetown—Biggar, NDP): Madam Speaker, it is a pleasure to speak to Motion No. 230 put forward by the member for Louis-Hébert.

As other speakers have done, I congratulate the member. In my observation of the agriculture committee and the House, she is always someone who does her homework and has made great contributions to debate.

#### • (0950)

I say in very general terms that the NDP caucus and party have looked closely at the whole issue of GM products and foods. We believe we have to take both a balanced and a cautious approach. I will go into a bit more detail on that in a few minutes. However from the outset I state that we support compulsory labelling for GM food products.

There is nothing more personal, more intimate or more significant than the food each one of us puts into his or her mouth. We must have knowledge of what is actually on our plates and going into our bodies.

There was a time when most people in the world grew their own food or hunted it and prepared it themselves. In those cases they would have known exactly what the food contained. Society is now much more complex and compartmentalized. We are not able to do that so we have to rely on information provided to us. In this complex society we have to rely on government to protect us by regulation. That is what we are talking about and that is one of the strong arguments for compulsory labelling.

We went through this many years ago with a whole range of other products when the consumer movement, if I may call it that, was born. We have been through a cycle of this sort. It seems now in certain ways that there is some regression setting in, in the way voluntary labelling is being described. With respect I want to tell government members that their support of voluntary labelling is simply not good enough.

As a little digression, the hon. member of the Canadian Alliance said a few minutes ago that consumers would tell us what they want. They have already told us in this case. Various polls indicate that more than 90% of Canadian consumers want compulsory labelling. I say to that member of the Canadian Alliance, if we are to follow consumers as he says we should, that is where we would be following them and not down the trail he has described.

Consumers have caught on to all of this, as the polls indicate. They have especially done so in Europe. The member of the Canadian Alliance went on to say that this is some sort of scheme and a non-trade barrier. He said that somehow or other we have the right not only to put whatever food products we want into Europe and anywhere else in the world, but in a sense to force-feed people, to put food into people's mouths. To go back to the beginning of my speech, there is nothing more sacred than people's right to know and to choose what they will put into their bodies. There might be some non-tariff thinking going on in the European Union. I am not saying there is not. I am simply saying it is not good enough for us to say we have the right to blast our way into that market, on to the plates and into the mouths of millions of consumers wherever they are.

I will put the question of GM food, if I may, into some context. The NDP caucus and party have described this in some detail. We know that biotechnology as applied to food production is poised to expand significantly in the next millennium. We also recognize that agricultural biotechnology contains both the promise of increasing production and adding value to agriculture. It also poses potential risks to production patterns, food safety and the environment.

We have taken a look at the issue. We believe we have to put safety first when we determine through science based decision making what we will do about GM products and GM foods. We believe that so far we have not had adequate public discussion of the issue. There should be a full scale, national public discussion on genetically modified food, which should include mechanisms for meaningful public input and feedback.

As I have indicated, we also want a labelling process that will make consumers aware of genetically modified produce and components in processed foods.

• (0955)

We have a whole other series of motions related to genetically modified foods which came out of our convention last summer, but it seems that I do not have time to get into them. In conclusion, we will be supporting the member's motion.

## [Translation]

The Acting Speaker (Ms. Thibeault): It being 9.55 a.m., the time provided for debate has expired.

Consequently, the motion will be put to a vote. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Ms. Thibeault): Pursuant to order made on Tuesday, October 17, the recorded division stands deferred until later this day.

## [English]

**Mr. Derek Lee:** Madam Speaker, I rise on a point of order. It being two or three minutes prior to the normal time for routine proceedings, I would ask that the House suspend for those few minutes.

The Acting Speaker (Ms. Thibeault): Is that agreed?

Some hon. members: Agreed.

SUSPENSION OF SITTING

The Acting Speaker (Ms. Thibeault): The House is suspended until 10 o'clock.

(The sitting of the House was suspended at 9.57 a.m.)

• (1000)

SITTING RESUMED

The House resumed at 10.01 a.m.

## **ROUTINE PROCEEDINGS**

[English]

## **ORDER IN COUNCIL APPOINTMENTS**

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

Pursuant to the provisions of Standing Order 110(1) these are deemed to be 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.): Madam Speaker, pursuant to Standing Order 36(8) I have the honour to table in both official languages the government's response to nine petitions.

\* \* \*

[Translation]

## INTERPARLIAMENTARY DELEGATIONS

**Mr. Bernard Patry (Pierrefonds—Dollard, Lib.):** Madam Speaker, pursuant to Standing Order 34 I have the honour to table

## **Routine Proceedings**

in the House in both official languages two reports of the Canadian section of the Parliamentary Assembly of the Francophonie, as well as the related financial report.

The first report has to do with the meeting of the executive which was held at Yaoundé, Cameroon on July 4, 2000, and the second with the 26th ordinary session held July 6 through 8, 2000 also at Yaoundé, Cameroon.

\* \* \*

## **COMMITTEES OF THE HOUSE**

JUSTICE AND HUMAN RIGHTS

**Mr. Paul DeVillers (Simcoe North, Lib.):** Madam Speaker, I have the honour to present in both official languages, the ninth report of the Standing Committee on Justice and Human Rights.

## [English]

Pursuant to order of reference of Tuesday, November 30, 1999 a subcommittee of the Standing Committee on Justice and Human Rights was established to conduct a study on organized crime to analyze the options available to parliament to combat the activities of criminal groups and the committee has agreed to report it with recommendations.

## [Translation]

I will take this opportunity to congratulate all the hon. members who were on the subcommittee and most particularly the House of Commons staff, the interpreters and our researchers. They worked long and hard to help in the preparation of this report.

## \* \* \*

## CANADIAN PEACEKEEPING SERVICE MEDAL ACT

**Mr. Mac Harb (Ottawa Centre, Lib.)** moved for leave to introduce Bill C-511, an act to amend the Canadian Peacekeeping Service Medal Act (Book of Remembrance for peacekeepers).

He said: Madam Speaker, I am very pleased to introduce this bill, seconded by my very capable colleague from Abitibi—Baie-James—Nunavik, a champion of peace locally, nationally and internationally.

• (1005)

This bill amends the Canadian Peacekeeping Service Medal Act and provides for the minister's establishment of a book of remembrance for Canadians who have lost their life in international peacekeeping missions.

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

\* \* \*

[English]

## CANADA PENSION PLAN

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP) moved for leave to introduce Bill C-512, an act to amend the Canada pension

#### **Routine Proceedings**

plan, the Government Annuities Act and the Old Age Security Act and to make consequential amendments to other acts.

He said: Madam Speaker, I have introduced a bill which I hope all members of the House can support. It basically would amend all statutes in Canada that make reference to old age and would change the words "old age" to "seniors". For example, it would change the old age pension to the seniors income security act.

A gentleman dropped by my office a few months ago. He was a very young, healthy senior who felt the reference to old age on his pension cheque was derogatory. For that reason I have introduced this bill today to change the words "old age" to "seniors" in respect for this country's seniors and the soon to be seniors as well.

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

\* \* \*

#### PETITIONS

## CHARTER OF RIGHTS AND FREEDOMS

**Mr. Ted White (North Vancouver, Canadian Alliance):** Madam Speaker, I am presenting a petition today signed by 83 people from North Vancouver, including Mr. Jones of Epps Avenue. The petitioners point out that whereas 80% of Canadians practise personal and corporate religious faiths that recognize the power and universal sovereignty of a supreme being, they pray and request that parliament reject all calls to remove references to a sovereign God from the Canadian Charter of Rights and Freedoms and the national anthem, as it may divide Canadians forever.

[Translation]

#### NATIONAL DEBT

**Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.):** Madam Speaker, I have the honour and privilege of presenting a great Canadian petition in the House of Commons on behalf of the Pèlerins de Saint-Michel, in attendance today and tomorrow.

The 26,129 signatories to a petition of over 1,100 pages, in addition to 22,500 petitioners last year, call on parliament to ask the government, in the spirit of Jubilee 2000, to take steps to eliminate the national debt, the primary cause of taxes and people's great poverty, to stop borrowing from financial institutions and to create the money necessary for the country as the Canadian Constitution entitles it to do and requires it to do.

[English]

## AGRICULTURE

**Mr. Rick Borotsik (Brandon—Souris, PC):** Madam Speaker, I have two petitions to present to the House.

One of them goes back to an issue which is close and dear to my heart, that of agriculture. This petition has 53 pages and this is not the first petition I have presented. It suggests that the government has certainly fallen short of the necessary support requirements for agriculture particularly in western Canada but in Canada as a whole.

The petitioners suggest that the agriculture minister who does not have sufficient influence in the department should be replaced. That is the essence of the petition. I believe that will happen probably within the next 36 days.

#### NUCLEAR ARMAMENTS

**Mr. Rick Borotsik (Brandon—Souris, PC):** The second petition, Madam Speaker, is presented with respect to the nuclear proliferation in the world. The petitioners request that parliament support the immediate initiation and conclusion by the year 2000 of an international convention which will set out a binding timetable for the abolition of nuclear armaments.

• (1010)

#### AGE OF CONSENT

**Mr. Lou Sekora (Port Moody—Coquitlam—Port Coquitlam, Lib.):** Madam Speaker, I would like to present two petitions signed by many people in British Columbia, including my riding.

The first petition calls upon parliament to amend the Criminal Code of Canada to raise the age of consent for sexual activity between a young person and an adult from 14 to 16.

#### HEALTH CARE

Mr. Lou Sekora (Port Moody—Coquitlam—Port Coquitlam, Lib.): The second petition, Madam Speaker, requests that parliament stop the expansion of private health care in Canada.

#### PAY EQUITY

**Mr. Mac Harb (Ottawa Centre, Lib.):** Madam Speaker, the office of the auditor general has already recognized its moral obligation in the spirit of the pay equity legislation. It already supports the provision of retroactive payment for pay equity to its own affected employees, mainly women. Therefore the petitioners pray that parliament empower and ask treasury board to release funds allowing the office of the auditor general to meet its obligation in a manner consistent with settlements made to affected groups under treasury board.

[Translation]

#### FALUN GONG

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Madam Speaker, it is my pleasure to table in this House a petition signed by the citizens of my riding of Beauport—Montmorency—Côte-de-Beaupré—Îled'Orléans and the greater Quebec City area.

They call on parliament to ask the Chinese government to stop its persecution of the practitioners of Falun Gong and to remove the prohibition against the practice of Falun Gong.

## [English]

**Mr. Bill Graham:** Madam Speaker, I rise on a point of order. I request unanimous consent for the House to return to presenting reports from interparliamentary delegations.

The Acting Speaker (Ms. Thibeault): Is there unanimous consent?

Some hon. members: Agreed.

\* \* \*

## INTERPARLIAMENTARY DELEGATIONS

**Mr. Bill Graham (Toronto Centre—Rosedale, Lib.):** Madam Speaker, pursuant to Standing Order 34(1) I have the honour to present to the House in both official languages the report of the Canadian delegation of the Canada-Europe Parliamentary Association, OSCE, to the ninth annual session of the Organization for Security and Cooperation in Europe parliamentary assembly which was held in Bucharest, Romania in July of this year.

\* \* \*

[Translation]

## **QUESTIONS ON THE ORDER PAPER**

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

The Acting Speaker (Ms. Thibeault): Is that agreed?

Some hon. members: Agreed.

# **GOVERNMENT ORDERS**

[Translation]

## ECONOMIC POLICY

The House resumed from October 18 consideration of the motion, of the amendment and of the amendment to the amendment.

**Mr. Jean Dubé:** Madam Speaker, I rise on a point of order. When the debate ended yesterday, I believe the NDP leader still had five minutes left for questions and comments.

The Acting Speaker (Ms. Thibeault): The hon. member is absolutely right.

[English]

**Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP):** Madam Speaker, the startling thing in the budget yesterday was the \$100 billion tax cut. It sounded like a budget of the Canadian Alliance in putting that much money into tax cuts, in particular because the tax

## Government Orders

cuts are greater for wealthy people, for millionaires, for people with all kinds of cash and for people who make all kinds of capital gains.

I believe the government had choices. It made a choice to reward its wealthy friends. It made a choice for big corporate tax cuts. It made a choice to help those who have the most money in Canada rather than put money into health care, education and the environment. That is how I see last night's mini-budget. I would like to know whether the member for Halifax West sees it in a similar vein.

**Ms. Alexa McDonough:** Madam Speaker, sometimes when mini-budgets or economic statements are being debated they seem a bit abstract. They may seem as though they are about big figures which are hard for people to identify with. Let me tell the House what choices of the government are reflected in the budget statement.

• (1015)

For a single mom living on an income of \$15,000, the tax cuts announced by the government will amount to \$350 a year, probably enough to pay for a prescription drug for a couple of months because the government has not put in place the promised pharmacare program.

For the bank president or the big corporate director on an income of \$750,000 with stock options of say \$23 million, the choice that the government has made represents a tax saving of literally millions of dollars.

It is important for people to realize that a budget is about choices and those are the choices that the government has made. The Liberals went to the electorate and told them they would do something about child poverty. What they have done is pump up the incomes of the wealthiest Canadians.

The Liberal government went to the public and said it would introduce a universal child care program, it would do something about home care and would do something about pharmacare. Not one cent in the mini-budget introduced yesterday advances those commitments. What have they done instead? The Liberals have said that tax cuts a la reform alliance are the only thing that matters.

When did a tax cut ensure safe drinking water for working families? When did a tax cut repair an education system that is tattered because of the federal downsizing and downloading of financial responsibilities? When did a tax cut hire nurses who are desperately needed throughout the health care system?

Canadians can see the choices. Canadians can see that this is a government absolutely firmly in the clutches of the corporate elite who last night slurped champagne and pigged out on caviar, not in celebration of the leader of the reform alliance, but because it considers itself to have won the battle to ensure that the finance

minister and the federal Liberal government are squarely in the clutches and in the corner of the corporate elite of this country.

Mr. Roy Bailey (Souris—Moose Mountain, Canadian Alliance): Madam Speaker, naturally when an MP reads or hears a budget, their attention is drawn to how it affects their own constituency.

Despite what the member of the New Democratic Party has said, one of the things which really disturbed me, representing a province where the number one industry is falling and falling very quickly, representing a province that has lost 6,200 of its main producers in the last year, September to September, representing a province that will lose that many more and the rural area of the last best west is becoming desolate, not one word was mentioned in this budget to support an industry that stretches across the entire western Canadian area.

As a matter of fact, the government has only paid out 42% of the total amount of money allocated by the government to assist in a small way to keep some bread and butter on the table of these people. As a parliamentary measure, I understand that we may be seeing AIDA come to Saskatchewan and maybe we can get a few more cheques out. In a briefing with a radio station last night, I said that would not buy one vote.

Yes, I am pleased to see tax cuts and I am pleased to see that the government has listened to us with regard to tax reduction. All one needs to do is take a look at my province with the worst health system in Canada, the worst road system in Canada, absolutely the poorest drug plan in Canada and part of that, not all, is the fault of the NDP. It could be fixed by their potentially new leader.

#### • (1020)

He said to get rid of all the health boards and start delivery. That is the problem with NDP philosophy. The problem with NDP philosophy is part of the problem why Saskatchewan has no highways, no health care under an NDP government and the absolute poorest rating in Canada. For them to talk about this budget is inappropriate.

My last comment, the western grain industry will never forget the government for the lack of attention that it has paid to it. The government will reap the results come November 27.

**Ms. Alexa McDonough:** Madam Speaker, that was a rant rather than a question. I will try not to respond in kind.

We heard from the member for Souris—Moose Mountain a diatribe about how much his party cares about what the farmers of Saskatchewan and the prairies are facing. Yet, this is the party that has blood on its hands when it comes to the federal Liberals' reasons for decimating support for agricultural programs.

When you go back over the seven years of this reform alliance, you can see the reason why the mini-budget introduced yesterday was so pathetic. It was absolutely silent on the question of agriculture support because the reform alliance has egged them on and egged them on to do exactly that.

What do we see in yesterday's mini-budget? What was the commitment to farm families facing bankruptcy, to farm communities that are having a desperate time surviving? What the federal Liberals said is we will monitor what is happening.

What that means is that they will be prepared to report to Canadians on how many bankruptcies have been caused by the Liberal government endorsing the reform alliance demands to shrink agricultural support programs to the point where they do not do the job.

What monitoring will mean is that they will tell Canadians, and I am not sure if they are telling the truth, but if they accurately monitor what they will be able to report to Canadians is the out-migration effect of their policies. Make no mistake about it, this is a rural depopulation policy that is being pushed and promoted by the reform alliance and embraced wholesale by the Liberal government.

As devastating as the budget introduced yesterday is for working families across the country, for farm families, for rural communities, for ordinary working people that are having to work harder and longer for less and less while their public services shrivel up, one thing is darn sure. It is that people can see how critically important it is for the New Democratic Party to be here with increased strength and greater numbers in the next Parliament of Canada to push back against not only the reform alliance, but the increasing dominance of the right wingers in the federal Liberal government.

**Right Hon. Joe Clark (Kings—Hants, PC):** Madam Speaker, I will be sharing my time in this debate with the member for Brandon—Souris.

Traditionally a budget sets forth the goals of a society and the economic measures that are necessary to achieve them. To use a phrase which the Prime Minister's pollsters have told him to adopt, it is about values not just taxes.

Yesterday's statement does reflect the government's values. It offers no help to the poorest of our taxpayers. It shortchanges our health system by billions of dollars. It offers only token assistance to students who are driven away from the education they need by its high costs. The cynical symbol of this statement is its promise to help with winter heating costs. Help for how long? For one winter, an election winter. This statement is about elections, not about economics. Even the tax cuts are driven by polling. Tragically, typically, the statement sets no goals for Canada.

#### • (1025)

At a time when we are drifting behind a world we should lead, there is nothing here that will make Canada a leader again. The government has been in office for seven years. During this time extraordinary growth in the United States economy has propelled Canada forward. The singular Canadian initiative which had the greatest impact on our own growth was the negotiation of the free trade agreement which the Liberal Party opposed when it was introduced.

In a time when other countries were becoming more competitive, changing their tax systems, training their people to prevail in the new economy, the government let Canada fall steadily behind. Ireland, Germany and a growing list of other countries have tax systems which attract more investment and more innovation than Canada.

Other countries adapt much more quickly than we do to the new e-economy. Canada is suffering a real and severe brain drain of the best, brightest people upon whom we have to build our future. Even in health care where Canada should lead the world, we are ranked 30th by a report of the World Health Organization.

## [Translation]

This cannot be called a budget. It is an election platform. It is political shortsightedness. The best proof of that is the promise to reduce the cost of heating for one winter only. It just so happens that it is the winter when an election is to be held.

There is no help for agriculture, no money for infrastructures such as highways, and not much for students. In our modern society, young people need to get the best possible education. It is the key to their future. But education costs are prohibitive. This budget provides some relief to students who are currently enrolled, but it does nothing for all the graduates who have a huge debt to repay. We can do a lot more to help our young people prepare their future.

This budget also ignores people who are in dire straits. The government could have changed the basic personal credit and have completely exempted low income Canadians from having to pay taxes. But it did not. We can do a lot more to help low income Canadians.

## [English]

There is no long term commitment on debt reduction. The \$10 billion debt reduction the government talks about is a one time payment. It is an accident because the government revenue forecasts were wrong. If the government was serious about debt reduction, it would have outlined a long term strategy.

There is nothing in this economic strategy on agriculture, infrastructure, equalization or regional development. There is very little help here for students. Nothing to address the issue of high

## Government Orders

student debt. Even doubling the education credit which students can claim will not help the average student today whose graduation present is on average a \$25,000 debt.

Speaking of Canadian values, nothing was done to reduce the basic personal exemption. It is appalling that someone earning just over \$7,000 has to pay federal income tax. A staged increase of the basic exemption to \$12,000 would take two and a half million Canadians off the tax rolls entirely and provide an across the board cut of \$800 to every taxpayer. That is what should have been done in this statement.

The government devastated the health care system and it crippled education with its unilateral cuts to transfer payments. Finally last month it was forced by the provinces to restore transfers for health and social transfers to 1993 levels. That full transfer will not occur until April of the year 2002. This is not an honest restoration of funding. It is at best a post-dated cheque.

The government proposes a very modest step on capital gains. By contrast, my party proposes the complete elimination of the personal capital gains tax.

• (1030)

## [Translation]

Capital gains tax contributes greatly to the brain drain, because Canadians, particularly in the high tech sector, are increasingly being given stock purchase options.

The capital gains tax is a tax on savings accumulated once income tax has been paid. Capital gains are in a way subject to double taxation, because the same income is taxed twice.

In the new economy, businesses give stock purchase options to all of their employees: receptionists, designers, software engineers or technicians.

Taxing capital is bad for investment. It prevents investors from obtaining a better yield by changing their type of investments. No other form of taxation is worse for the economy than the capital gains tax.

Today the government is proposing to bring the Canadian system in line with that of the United States. Yet what Canada needs is a better system than the American one. Our economies are not of comparable size. The capital gains tax on individuals must be done away with.

## [English]

Some of the measures announced yesterday will take effect immediately. Others may never see the light of day, because they require action by parliament and the Prime Minister is closing parliament down.

This government was elected in 1997 with a 60 month term. It is now in its 40th month with a long list of urgent public business

awaiting action. Instead of the government doing its job, the Prime Minister wants to call an election.

The Prime Minister has taken election positions on economic issues before. He opposed free trade and he broke his word. He promised to kill the GST and he broke his word. On the cold, hard record, this is not a government Canadians can trust.

What we have here is an election platform, not an economic plan. Its tax measures will be debated in the weeks to come. The real message is that this is a short term, get through the day government. It has no sense of purpose, no sense of compassion and certainly no plan to respect and assert Canadian values.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Madam Speaker, I want to congratulate the right hon. member for Kings—Hants for a very compelling speech. He has proven time and time again, since his return to the House of Commons, that he is a great Canadian who understands the difficulties and hardships faced by many in this country today.

We have heard a great deal from the government in the past days and, of course, we have come to expect that most of the information that comes out in a budget has been leaked to the press prior to hearing from the Minister of Finance or any government official here in the House of Commons. That lack of respect is something, sadly, that has come to be expected by members of the opposition and further marginalizes parliament.

What this budget is not about has become quite obvious. What the budget is not about is helping farmers. What the budget is not about is focusing in on the issue of student debt and the crisis that many students face when they emerge at a time in their lives when they should be filled with optimism, with hope and with some sense of purpose. The first thing they have to face is the government knocking at their door, coming to collect on a student debt. This is the type of situation that leads our best, our brightest and our most ambitious young people to leave the country or to leave regions of the country where opportunities are not as great, as we see in Atlantic Canada.

Another issue that this budget does not deal with, in fact it is a shell game, a facade, is the issue of a rebate on the cost of heating oil. What it does is it raises expectations. It is so pathetic it is like holding a little chocolate bar out to a child and then pulling it back. The indication is that people will be given a small rebate on the cost of heating oil. Yet that cheque, if it ever does arrive, will not get to these needy people until January. There are a lot of cold months between now and January. I do not know what people in Ecum Secum or Canso will do if they need to fill their oil tanks or if they need gasoline to get into town so they can get such luxuries as food. What this government has chosen to do is to give money back. Of course there is this insidious little promise that perhaps they should vote for the government if they really want that cheque to arrive on time. This is the crass type of electioneering we have seen engineered by the government in the lead-up to this campaign. • (1035)

With some of those inadequacies which members of the Progressive Conservative Party and other members in the opposition have pointed out, my question to the right hon. member for Kings—Hants is, what should we be doing?

What is the government in waiting, the Progressive Conservative Party, going to do for the poorest of the poor with respect to those who are still making as little as \$10,000 annually? What should we be doing in terms of changing our tax laws to address that situation?

**Right Hon. Joe Clark:** Madam Speaker, there are several things that can be done. Let me list them quickly.

First, we should be changing the basic personal exemption. It is simply unacceptable in a country like ours that low income Canadians earning around \$7,000 a year have to pay tax. We propose to take them and others like them completely off the tax rolls in a staged process of raising the basic exemption to \$12,000 a year.

We cannot just help the rich, as the Liberal Party always does. We need to have concern for low income Canadians who are trying to make their way and trying to improve their communities where they live.

The hon. member mentioned the issue of agriculture. I have just come back from western Canada, a region that has been doubly devastated. It has been devastated by nature, but it has also been devastated by the absolute refusal of either the government or the party now in official opposition to take any serious interest in the plight of agriculture.

We had a statistic last year from my native region showing that some 22,000 farmers have stopped farming in the last year and have moved off the land. That is a 10% drop in the number of people taking part in one of the basic industries in western Canada. That is a terrible thing to have happen. If it had happened in Ontario, the Liberal government would have responded very quickly, but it did not. It happened in the west so it gets ignored. However, it cuts into our capacity to be a competitive country, building upon the multiple strengths that agriculture can bring us if agriculture had the kind of support today that it had when a Progressive Conservative government was in office.

Finally, let me speak to the question of students. There is a tiny little measure in this budget for students now in school. This budget does nothing at all to help students who are leaving school with a massive debt, a debt averaging \$25,000 per year.

What the government does in the name of Liberal values is say that education in Canada is for the rich, and if one is smart and able but not rich then one cannot get into our education system. That is not the kind of Canada we believe in. That is not a value worthy of the name.

**Mr. Rick Borotsik (Brandon—Souris, PC):** Madam Speaker, it is very difficult, almost impossible, to follow my leader, the right hon. member for Kings—Hants, being the statesman that he obviously is and the passion with which he speaks to issues affecting this country and Canadians as a whole. However, I will attempt, in my fashion, to speak to the economic statement that has been put forward by the finance minister.

First, it must be said that if this were after the writ was dropped, the government would have to claim this as an election expense. This in effect is an election platform, an election ploy that was placed before the House in the Chamber. It is no more than that.

I know Canadians are becoming terribly cynical of politics and politicians. Canadians see through the transparency and the cynical politics that were played in the House yesterday by the Minister of Finance.

As was mentioned earlier, this financial statement will not be implemented before the writ is dropped by the Prime Minister to go to the next election, an election that is totally unnecessary. Should the finance minister and the Prime Minister wish, as they were meant to do, to govern the country, they can do so for another 20 months based on the economic largesse they have identified within this document.

I say to Canadians now to not go out and spend the money that has been promised. Promises that have been placed before the House and Canadians have been broken time and time again. This is a post-dated cheque, make no mistake about it. It is like the post-dated cheque of "We will scrap the GST".

## • (1040)

Did you spend your money, Madam Speaker, when the GST was going to be taken off? It did not materialize. It is like the post-dated cheque when the Liberals said they would scrap the NAFTA agreement. By the way, the best thing they did not do was to scrap NAFTA because today, as we stand with the surpluses that are before the House, it is because of those initiatives taken by a government prior to 1993. This government today should be thankful that it has surpluses because of what we put into place.

No one should spend that post-dated cheque because I remember the promise of pharmacare. Does anyone remember that promise, that post-dated cheque? It has not been cashed and in fact will not be cashed.

What about the post-dated cheque given to Canadians with respect to child care and day care? No one should cash that cheque because it was a promise that was again broken by the government.

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**Mr. Peter MacKay:** What about the helicopters? That cheque bounced.

**Mr. Rick Borotsik:** The helicopter deal, as my colleague from Pictou—Antigonish—Guysborough has just indicated, there was a promise. It was a post-dated cheque that unfortunately was implemented. That cheque was not cashed but it bounced. The problem with that particular cheque is that people's lives were put into the balance. To this day we still do not have the proper equipment so that our servicemen can go out into the world and defend the peacekeeping requirements that we have as Canadians because this government does not accept the fact that our defence department requires those dollars.

Let us talk about this particular post-dated cheque. The finance minister said, and I quote, on page 12 that these things will be achieved by "legislating—not promising". Canadians recognize that in order to put legislation forward, the House has to sit. We now hear that the reason the Prime Minister and the government is going to drop the writ is that everybody else is campaigning.

I just had an opportunity to speak with a couple of Liberal members on a radio talk show. Their spin to this was that everybody else is running for the election, so they might as well call one.

The Prime Minister has been declaring this election campaign ever since he has been trying to entice Brian Tobin back into the cabinet. That was successful, so he is now going to call the election.

Not only did the finance minister say that it would be legislated, which is not in fact correct, but he also has a caveat not only on debt repayment but on the tax reductions as well. This depends wholly and solely upon what the economy is going to do over the next number of months and years. It is a positive caveat but, nonetheless, it gives him a real opportunity to backtrack on a lot of those post-dated cheques and promises that have been made.

Let us talk about this particular document itself, this economic statement. It has listed a number of areas, the first one being health. I want Canadians to recognize right now that there is nothing different with health today than there was yesterday. There are no new initiatives. The initiative there has been announced ad nauseam. It has been announced many times. Even with the previous agreement that was negotiated with the provinces, we still do not come up to 1994-95 levels for health care funding.

Let us talk about health. The Liberal government arbitrarily took out of the health care system billions and billions of dollars without consultation with the provinces. Now, all of a sudden, it consults with the provinces to put back in the money it took out, which destroyed the system. That money is not yet into the system. That

money will not be into the system for years to come. No one should think that Canadians are going to have the opportunity to take advantage of these health care dollars in the very near future.

Let us talk about the environment. The only new spending initiative in this statement was the environment. I want to congratulate the Minister of the Environment for having the ability to influence the cabinet and the finance minister. I say that somewhat tongue in cheek because there is a huge hole that was left in this economic statement, and that was respect to agriculture. The environment minister had the initiative and the influence. The minister of agriculture had none. There is not one word in this document about agriculture.

#### • (1045)

The agricultural industry right now is suffering through the worst crisis it has ever had to suffer through. We have lost 25,000 farmers in the last year. What do we have from the Liberals? They shrug and say "Well, that is the way it is. We put our best foot forward to try to protect the industry". It is not enough. This document speaks to the fact that agriculture has absolutely no priority for this government. That has to change.

On debt reduction, the government suggested that \$10 billion will come forward this year in debt reduction. There was a \$12.3 billion reduction last year. It took this government until last month, almost six months after the year end, to discover it had this wonderful surplus. All of sudden, three or four days before an election, it has come to the good understanding that it now has a surplus it can put forward for debt reduction. It is nice to see that the finance department can finally come up with numbers.

One wonders why it happens today. Is it manipulative? Is it manufactured? Is it an election ploy? Of course it is, and Canadians know it.

What the government has not done is to put into place a plan for debt reduction. It holds out the carrot that in this budget year the government will reduce the debt, but nowhere in this statement does it speak to a well thought out, logical line item that is going to reduce the deficit for Canadians. Liberals do not like to do that. They like to take the money and use it to their best advantage. Canadians believe the best advantage is to reduce the debt in a well thought out, systematic plan, and that is where we should be going.

Ms. Angela Vautour: Not an election plan.

Mr. Rick Borotsik: Not an election plan.

Tax cuts? Absolutely. They are heading in the right direction. The Liberals took our plan. What a great idea. Reduce tax rates? What a great idea. Reduce the inclusion rate for capital gains? Not to 50%, but to zero.

However they are on the right track, and given the right opportunity we will accelerate that. As a matter of fact, the finance minister said the reason this is so important today is so that the government can accelerate the cuts proposed in the February budget. If the government was serious, why did it not put these cuts in the February budget in the first place? The reason is that there was not an election call in March, but there is one this month.

I wish I had more time because there is much more opportunity to make sure Canadians recognize that what this government is doing is wrong. I am sure we will speak to it later.

Mr. Roy Cullen (Parliamentary Secretary to Minister of Finance, Lib.): Madam Speaker, I sat here and listened to the Progressive Conservative Party love-in over in the corner. Not only did it rewrite economic history in Canada over the last decade or so, it rewrote the economic update and economic statement presented in the House yesterday by the Minister of Finance.

I would like to go over a few points. First, the Conservatives talk about there being nothing new on health care. Is that not staggering that they can actually stand up and say that in this House when the Prime Minister negotiated and did a deal with the premiers and the territorial leaders just a couple of months ago for \$23.5 billion more for health care? That is largest single investment put into health care by any federal government. If we add that to the \$14 billion that was invested in health care in the last two budgets, that is a reinvestment of \$37 billion. Those members know that is not even close to the cuts in the transfers to the provinces and territories.

They talk about how the Tories are responsible for all economic growth. I will tell the House what the Tories are responsible for. In 1993 they left this government saddled with a deficit of \$42 billion. In three years this government eliminated the deficit. Canadians understand that before we can pay any money on the debt we have to eliminate the deficit, which we did.

By the way, there was a 5% surtax introduced by the Tories, which we have now completely eliminated as of yesterday.

• (1050)

Members opposite should reflect upon what they are saying because the facts do not support it.

They talk about the fuel taxes. What they proposed was a reduction in the excise tax on fuel which absolutely would have gone straight to the oil producers in Canada. It would not have gone to the consumers. It would not have hit the pockets of Canadians. Our tax measure will go straight to the pockets of low income Canadians to compensate them for increased heating costs and the increased cost of gasoline at the pumps. Low income individuals will receive \$125 per individual and double that for families.

I would like to ask the member for Brandon—Souris if he would like a copy of the economic update that was presented in the House yesterday. I would gladly provide him with one, because obviously he has not read it, and perhaps with an economic history of Canada in the last couple of decades. He would be wise to read that. Would he accept such a gift? I would be glad to give it him.

**Mr. Rick Borotsik:** Madam Speaker, I have probably read more of this particular document than the hon. member has because I certainly understand it a lot better than he does.

I have to respond to two issues, one of them being health care. I fail to understand how in 1993 this government could gut the health care system unilaterally without any consultation with the provinces at all, take those dollars out of the system so that the provinces are basically demanded to supply services with no support from this government, and then all of a sudden replace those dollars today, before an election, with the provinces' consultation. Why could that not happen in both?

Of course the provinces will agree now that there is something on the table when there has been nothing on the table before. If that is the spin this government is going to do in an election it had better come up with a much better opportunity to debate why it destroyed health care.

The second thing the Liberals talked about was the \$42 billion in 1993. It is time that Canadians recognized and that this House be given the opportunity to know that the Trudeau years left \$200 billion of debt. That is where it started. Of that \$42 billion, \$32 billion was debt servicing that was put forward by that government and not this government. They can take that one to the election and let citizens make their decision as to who are the best managers of the economy.

Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.): Madam Speaker, as I was walking to the office this morning I passed by some newspaper boxes. A headline caught my eye on the newspaper box of the *National Post*. The headline said "Liberals Deliver Alliance Budget". That headline just cut to the quick.

Some hon. members: Oh, oh.

The Acting Speaker (Ms. Thibeault): Order, please. The member who is addressing the House is next to me and I cannot hear him. Please take your conversations to the lobby.

**Mr. John Bryden:** Madam Speaker, I realize that the Alliance has come to the House to try to bring a better aura of decorum here, but the members really ought to give lessons to the Conservatives, who seem to have a little difficulty with that problem. Thank you for your intervention, Madam Speaker.

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As I was saying, as I walked in to work a headline caught my eye in the newspaper box of the *National Post*. The headline basically said "Liberals Deliver Alliance Budget". Of anything that any one of us feels about this budget, the one thing it is not is an Alliance budget. The difference between what the party on the other side does in terms of economic philosophy and economic proposals and platforms and what we on this side do—and even the Conservatives, in all fairness—is that we do not represent the kind of economic policy of basic selfishness that is reflected in the Alliance's economic platforms.

• (1055)

It is not just the flat tax. What we see in almost all the themes of the Canadian Alliance is that it believes that the fundamental thing that drives Canadians is the desire to keep their own money at all costs.

What makes us different on this side, I would suggest—and I will compliment the Conservatives over there who are busy engaged in a conversation and not paying any attention—is that they, like us, believe that government is in the business of providing services to Canadians that Canadians cannot otherwise get. The issue is not to reduce taxes to an absolute minimum so that all the people can selfishly get everything they have. What it is really all about is to try to give opportunities to all Canadians by using taxpayers' funds in a responsible manner so that all Canadians share in equal opportunities in this great land of ours.

An hon. member: It is the Canadian way.

**Mr. John Bryden:** It is the Canadian way, as my colleague says. It is certainly the Liberal way, but it is not the Canadian Alliance way. I am a little uncomfortable with them having the term "Canadian" because it really is not very consistent in these politics of economic selfishness. I really do not believe in that.

We actually had an example just recently in Ontario with the Walkerton crisis with respect to the water. There is an inquiry going on right now. This is a classic case in which a provincial government withdrew from providing services, in this case the guarantee that water quality would be first class. What we have, because it essentially privatized and downloaded the responsibility of the provincial government to ensure pure water, is that people actually died in that event there.

The other aspect of this budget is that the Canadian Alliance is very fond of saying it reflects the grassroots and the Liberals somehow pull economic policy out of some vacuum that looks only toward gaining votes in the next election. I can say that in this economic statement, which is not a budget but an extension of the February budget of this current year, what one will see are features that reflect the efforts of backbench MPs on this side of the House who have listened to their constituents and have lobbied and pressured the finance minister. He has listened.

I have to be a little careful because there are several other members of cabinet here, but I can tell the House that of all the members of cabinet here the finance minister has one of the most admirable records of listening to his backbench MPs and actually implementing their suggestions and policies.

I will give a couple of examples. One of the things in this economic statement that absolutely delights me is the fact that finally, after some years of lobbying, particularly by the member for Mississauga South, who was the real champion of this issue of supporting the nuclear family in our society, is the proposal that gives tax breaks to a family that has a stay at home parent. What we find for a family earning \$40,000 a year with one parent working and the other parent staying at home with two children is a one-third break in their taxes. They will save \$1,000 as a result of this initiative that the finance minister brought in yesterday.

I would argue that this is long overdue, but the reality is that on this side of the House we have all kinds of points of view represented. The member for Mississauga South championed the whole idea of supporting the ability of people to look after their children directly.

An hon. member: The traditional family.

Mr. John Bryden: Yes, the traditional family.

The other side of the equation is that there is a lot of concern on this side of the House about looking after families where there is only a single parent. There is no doubt that for a long time a lot of the financial policy on this side of the House was directed toward helping single parent families. That is a very good thing, but now we finally have the balance. That is because of the efforts of the member for Mississauga South and others of us. I will count my colleague next to me.

An hon. member: We all work together.

**Mr. John Bryden:** Yes, we all work together. We made progress. That is a very important thing.

Then there are other things, such as debt reduction. The Canadian Alliance would have us believe that they are the ones who invented debt reduction as some sort of good thing that governments ought to be doing.

#### • (1100)

I can tell the House that prior to 1997 for three years running I ran an opinion poll at the fall fairs in my riding in central Ontario. I had four jars and people would be given four beans, each one representing \$1 billion. I would ask them if they were the finance minister how they would spend a \$4 billion surplus. They had a choice of GST reduction, increased social spending, personal income tax cuts or debt reduction. For three years running the people who put the beans in the jars chose, first and foremost, debt

reduction. About 45% of the opinion poll chose debt reduction as their number one priority. I presented those results every year to the finance minister and I told him that this was what people were saying.

It is no surprise to me to see in this economic statement that not only have we reduced the debt already by some \$18.7 billion, but in this statement we are also undertaking to reduce the debt by another \$10 billion.

The previous speaker really amused me. I can be amused occasionally in the House by some of the statements coming from the other side, Madam Speaker. The member complained that the government had no plan for debt reduction. What is amusing about that is of course any time when we have unspent surplus, the debt is reduced. That is all we have to do. We have to limit spending, control our spending, and automatically the debt is reduced. We have a government that is not only able to reinvest in the economy, reinvest in Canadians, but also has a sufficient surplus to bring down the debt by another \$10 billion. The members on the other side ought to be applauding that.

Unfortunately, the House is adversarial and it needs to be adversarial. That is only right and proper. Sometimes I really do think that praise from the other side is warranted when the finance minister really does what is in the interests of all Canadians. The leader of the Canadian Alliance is always demanding forgiveness from this side, but I would suggest that what he really ought to do is stand in the House and give praise and congratulations where it is due. I realize that may be a bit too much to expect.

Another point just in passing. There are two other areas in the economic statement that reflect pressure coming from this side and to some degree from the other side and that is the rebate on fuel costs. It is quite scary, Madam Speaker, when we see what is happening with regard to fuel costs and how Canadians are worried. Quite rightly, on the other side there has been pressure to somehow relieve the burden, particularly on low income home owners facing substantial hikes in fuel costs. That concern is being acted on by this side.

We see in the economic statement that the finance minister is listening. That is an important point in the life of this parliament. The finance minister not only listens to the backbenchers here, but he also listens to the opposition when they do carry valid arguments and valid concerns. We are all concerned about what is going to happen to Canadians with the high cost of home heating fuel and the finance minister has replied.

I was particularly impressed by the fact that the finance minister provided for an increase in the educational tax credit for students. This is a very small thing in some respects, but a very large thing in others. There is absolutely no doubt that the investment for tomorrow is the investment of this government and this parliament in young people. I am very pleased that the economic statement reflects that.

#### • (1105)

I think that is actually precisely the point in many respects because what does make us different on this side and what makes us so different from the philosophy that we see, particularly from the Canadian Alliance, is that we believe as Liberals, and I think I can speak for the majority of us, that the role of the government is to provide services and encouragement in the country. Our role is to increase the equality of opportunity of all Canadians. That is a proper use of government money.

I deplore what I see in Ontario with the Harris government. I am uncomfortable with what I see in Alberta with the Alberta government. I am extremely uncomfortable with what I hear from the Canadian Alliance with this whole idea that you should retreat from government spending.

That is not the point. What you really need to do with government spending is when you do invest in the country, when you do invest in social services, when you do invest in helicopters or whatever it is the government is buying, you must invest well.

The important thing is to make sure that spending is as efficient as possible. That brings me to the more recent debate over the last few days about the auditor general's report and indeed the information commissioner's report about the need to reform the Access to Information Act.

A key point that the auditor general said which is so important is that even though there are all kinds of problems in effectiveness of spending and mismanagement in HRDC, he said there was no evidence of malfeasance. He said there was no evidence that any bureaucrat profited by any of the inefficiencies or mistakes that were made.

What is so important about that? That means that our job as a government, as politicians, is to build on the honesty of our bureaucrats. We have to give them the tools to more efficiently manage.

I believe one of them is to modernize the privacy legislation and the access to information legislation. I have to say in the context of a point of privilege that the Speaker ruled on today that there were problems that led to the government making an incorrect decision with respect to its opportunity to support reforms to the access to information bill that was proposed in my Private Members' Bill C-206.

I do not fault the government. I do fault messages that were received by the government, but that is another story. I do not dispute the Speaker's ruling, but I do stress it is important to all of us here to reform this kind of legislation so that the bureaucrats in HRDC and every other government department can operate with a

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better degree of transparency. When you have transparency, you have accountability. This is where we are headed with respect to HRDC and with respect to every government department.

You will recall that the member for Mississauga West, again a member on this side, chaired a committee in 1995 on grants and contributions. What she and the members who supported her did was they came out with a number of recommendations on how to improve the way government handled grants and contributions.

It was an excellent report and the government did act on it. The problem in a modern society and a huge government department spending billions of dollars is that we have to modernize. The member for Mississauga West in the report called on the government to implement better controls, to be more targeted in what organizations should receive money.

One of the most interesting suggestions in that particular report was that governments should always choose contributions rather than grants because the system of contributions requires accountability and performance review whereas grants tend to go out with no accountability whatsoever.

I must tell you that some departments reacted very strongly to the report, at least as far as I can gather. Industry Canada and foreign affairs both implemented a number of reforms of the way they put out grants and contributions. I know this because I have all kinds of representations from organizations that were suddenly being asked, in 1995-1996, to give better explanations and better accounting of how they were going to use the money. Many of these organizations ceased to get support from both Industry Canada and Foreign Affairs because they could not live up to this.

We made progress at that time. That progress came from the backbench. We really have to take the next step. I look to the other side to set aside partisan politics and work together on improving the way our bureaucracy operates, always allowing for the fact of wanting to do a good job, wanting to do the best job.

We should harness the Internet. We should put as much government online as possible so that when that middle level manager in any government department is considering a contract, considering making a contribution or executing some kind of program involving grants and contributions, we can see en route who it is that is receiving the money, what they are proposing, how the government is checking that it is actually delivering the services that it proposes.

That can all go on the Internet. This is crucial because this is what will make Canada more efficient than any other country in the world. In fact there is a race between Canada and the United States to implement this kind of bureaucratic efficiency because not only does it make more efficient government but it is a model for corporations. To come back to the original point, that is why, with

<sup>• (1110)</sup> 

#### Business of the House

some urgency, government has to review and modernize the Access to Information Act, the Freedom of Information Act and the Privacy Act.

I take a great deal of satisfaction in realizing and learning that even though my private member's bill to reform the Access to Information Act failed, the government has since undertaken a major co-operative endeavour between the justice department and treasury board to examine the whole issue of how to make government more open. I believe the government is going to report in the fall of next year.

I would prefer an open process that would have resulted had my private member's bill gone through and it had gone through committee stage debate. Nevertheless, this is a clear indication that this government is very much on the right track.

Finally, we must bear in mind that all government is like a huge vessel. I hate to think of it, but it is like the *Titanic*. We do not want it to hit an iceberg. We want it to continue to sail. If we are going to make sure that the ship of states sails on successfully, we have to make sure that it has the modern tools of transparency and accountability in order to achieve that target.

Madam Speaker, on this side of the House I can assure you that we already have the heart.

**Mr. Grant McNally (Dewdney—Alouette, Canadian Alliance):** Madam Speaker, I listened intently to my colleague's speech. I know he is a member who sincerely expresses what is on his mind and is well intentioned.

I do want to take issue with a few things he mentioned. I do believe this upcoming election is going to be all about trust, about who to believe and actions speaking louder than words.

People need to take a look at what my colleague said about debt. First of all, understand that it is the government and the legacy of the Liberals that have brought us to the point of an item mentioned in the economic statement. I would like to direct the member to that on page 31.

It clearly states that our debt level right now is \$564.5 billion. That is the level of our national debt, our national mortgage. That was brought to us by the government over years and years of governance.

Now the Liberals are asking Canadians to trust them to be the ones to eliminate that. Their plan for doing that is mentioned on page 13. They have put a contingency reserve fund in place of \$3 billion. It is a good idea and we congratulate them for that. It is not enough. That contingency fund is to pay down the debt only if money is left after Liberal spending has taken place at the end of the year.

## • (1115)

I cannot believe that the new item about debt reduction introduced yesterday in the economic statement made it into the document. However each fall from now on we will announce whether a greater amount should be dedicated to that year's debt paydown. They will make an announcement on whether or not to pay some more debt down, rather than any kind of legislated paydown.

My colleague mentioned that debt paydown would happen with surpluses that were left over, that when they control spending and surpluses are left over it goes to the debt. New spending of \$50 billion was mentioned in the document presented to this place yesterday.

How in the world could Canadians believe the Liberals are committed to legislated debt paydown when it is not here? They are the ones who introduced the debt. They are the ones who continued to spend. Whenever the member uses reinvest, we should read in the words a new spending initiative of taxpayer dollars.

I want to ask my colleague about the issues he raised. I also want to ask him about the point he made about a Liberal committee that looked into HRD and other grants and contributions in 1995. If that were such a good plan, how in the world did we get to the \$1 billion boondoggle, with billions of dollars not being used appropriately? How is that possible?

That indicates to me that the report was put on a shelf and nothing happened. I would like my colleague to address those issues.

## \* \* \*

#### **BUSINESS OF THE HOUSE**

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Madam Speaker, I rise on a point of order. There have been consultations among the parties and I think you would find agreement for the following motion which has been agreed to by all House leaders House:

That at 1.45 p.m. the present debate shall be adjourned; that Bill C-45 shall be withdrawn from the Standing Committee on Finance and referred immediately to committee of the whole, which shall consider the said bill and amendments to be proposed thereto; and that the bill shall be reported, concurred in at report stage and read a third time no later than 1.59 p.m.

I propose this particular item for the consideration of the House.

Also there is a matter that we want to bring to the attention of the House. It has to do with the private members business for today. The Chair will recognize that instead of having private members' hour this evening we had the private members' hour from 9 to 10 this morning. That did not assume we would have an hour more of sitting. I would like it, but I recognize that was not the agreement I made with other House leaders.

## 9267

Therefore, to be totally consistent with the agreement that we negotiated, the House would in fact end at 5.30. If we wanted to extend the time beyond that, we would have to ask for consent because it was not part of the agreement.

Even though it was indicated that way on today's documentation issued to members, in fact that was not the agreement among House leaders. The agreement was that we would take the hour at the end of the day and put it at the beginning. Therefore government orders would end at 5.30 p.m.

The Acting Speaker (Ms. Thibeault): Does the hon. House leader have consent of the House to put the motion?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

(Motion agreed to)

\* \* \*

• (1120)

## ECONOMIC POLICY

The House resumed consideration of the motion, of the amendment and of the amendment to the amendment.

Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.): Madam Speaker, I thank the member opposite for his question which was a little bit elaborate. I will try to answer it in reverse order.

I guess I did not make it very clear, and it is my fault, in my presentation. The report in 1995 on the grants and contributions was an excellent effort, but one of the difficulties is when we are dealing with large corporations, whether it is in industry or in government, it is very difficult to police what the average manager is doing, the rank and file manager.

While the intentions of the report were very good, and some of the recommendations were implemented, the reality in a large corporation is that there is no effective means, or has not been up until now, for the senior management, whether it is the deputy minister or the chief executive officer of a corporation, to have a really good sense of what is actually happening down in the offices and cubicles of government or the corporation.

The reason why the Internet is so important is that it offers a unique opportunity that never existed before, whereby by putting

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the daily operations of the rank and file managers online, all the public become the auditors. Then we would be able to see, as members of parliament or as ordinary citizens, who is getting money in a riding as they get the money. We would be able to assess the program.

One of our great problems with respect to grants and contributions which has been debated on all sides of the House was that in the old days, under a previous political party's government, grants and contributions were primarily controlled by politicians.

One of the great innovations that came in 1993 was that was basically taken away from the politicians on all sides of the House. While there was some input there was not very much input. It was primarily left to the bureaucrats to dispense the program funding in the various ridings. It applies to my riding and it applies to ridings of the opposition. That is, shall we say, a more honest process, but the problem is that it put the onus on the bureaucrats to make decisions that often they were not competent to make. So we have the dilemma of HRDC that we have right now where we have mismanagement; we have the awarding of program funds improperly; and we have poor tracking.

The solution is to put it online. If money is coming into my riding, your riding or whoever's riding, Madam Speaker, if the public can see who is receiving that money and how it is being tracked, how the services are being provided, then we will reach an enormous level of efficiency.

I do not hesitate to criticize my government on this point because I believe that my own political government is moving far too slowly in making the necessary changes in legislation to enable the bureaucrats to bring in this type of legislation. I believe the civil service wants to do it. I believe there is a very active effort out there to bring government online. It is we, perhaps, who are slow to respond.

I have to say, though, that I have not had a lot of support from the opposition benches on this. I have very much had to rely on the support of my backbench colleagues, but I think it is in all our interests to pressure government to make the appropriate changes to legislation to bring government online, which would increase transparency and accountability everywhere.

On the question of the debt, what I have to say with respect to that is that there is a fundamental difference between the Canadian Alliance and the Liberals.

I will put it to the member this way. If one were to legislate debt reduction and require every year that the debt be reduced by, let us say, \$5 billion—\$3 billion is peanuts when we have a \$560 billion debt—what happens if a recession strikes? What happens if there is an Asian flu and suddenly the markets just fall apart?

If we have that legislation in place then we destroy the options government must have, the finance minister must have in the event of an emergency. This is again perhaps a difference between the two sides. I really believe as an individual, and I think we believe mostly as Liberals, that our responsibility as a government is to provide essential services.

#### $\bullet$ (1125)

It is not just about reducing taxes. It is not just about even reducing debt. The most important thing is that we have to provide services when Canadians need them. If we put government into a straitjacket of legislated debt reduction we have that problem.

Then there is the opposite side of the coin. If we say, as the Alliance Party has said, that debt reduction has to be at \$6 billion a year, what do we do when we have the opportunity of a surplus, as we have now, where we can reduce the debt by \$10 billion and where we reduced the debt by \$12 billion just recently?

I read an interesting figure on that reduction of \$12 billion. That saves us \$700 million in interest charges, I think it is. We are all on side here. We want to get that debt down but do not put us in a straitjacket. That does not help Canada.

## [Translation]

**Mr. Ghislain Lebel (Chambly, BQ):** Mr. Speaker, I do not have much time, but I do find that the hon. member for Ancaster—Dundas—Flamborough—Aldershot has a colossal nerve.

He says that there were even some deaths in Walkerton because of bad drinking water treatment. Could he at least have the courage to admit that in Quebec and elsewhere in Canada it is in part, perhaps in large part, the federal cuts that have made it impossible for the provinces to respond to their people's needs in the health field?

Let him at least have the honesty to admit that.

## [English]

**Mr. John Bryden:** Madam Speaker, what happened in Ontario is that instead of settling its obligations the Ontario government cut personal income taxes. It made the choice, which is proposed now by the Canadian Alliance, to set cutting taxes above public safety and the cost has been in lives in Ontario.

The Bloc Quebecois and the Liberals are very much on side on this. We all believe that we must invest in the environment.

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Madam Speaker, I am honoured to rise in the House today to persuade all those Liberals over there that what they are doing today with this so-called itsy-bitsy, teeny-weeny mini-budget is totally inadequate.

Unfortunately I will not have a great deal of time because I am sharing my time with the hon. member for Prince George—Bulkley

Valley. Therefore in my limited time I will address just a few of the issues. First, I would like to talk about debt. If we wanted to congratulate the Liberals for anything, I guess we should congratulate them for their excellent ability to spin an itsy-bitsy thing into something big.

One of the things they are bragging about is their debt reduction. When the Liberals came into power in 1993 the total debt was \$508 billion. Of course they had that record over \$40 billion deficit which was left by the Conservatives. For about eight years the Liberals were riding on the fact that the Conservatives gave them that \$40 billion deficit.

How much mileage have they spun out of the fact that the deficit is now gone? I am amazed they even attempt to take credit for it. The deficit would have been gone if they had done nothing, which I guess is pretty well what they did.

We have had a very strong economy with our neighbours to the south. We have had a very excellent balance of payments internationally. Consequently our economy has done very well. Lo and behold the deficit is gone.

• (1130)

That has been on the backs of the taxpayers. It has been on the backs of the employers and employees in the country from whom the government incorrectly, illegally, unlawfully has taken billions of dollars out of the EI fund. It has no justification legislatively to do that. In more gentler terms we would call it theft when one takes something from someone to which one is not entitled. I am not accusing any individual member of that. It is the whole government that has simply stolen money, the billions it is not entitled to, from employers and employees.

The Acting Speaker (Mr. McClelland): Order, please, I know the hon. member for Elk Island was being very careful with his suggestions because the hon. member knows that he must be very careful. I thought I would interject because it is very clearly understood that the word stolen, even in connection in a broad term with the government, is plainly inappropriate.

Mr. Ken Epp: Mr. Speaker, I will not use that term again.

The government took money it was not entitled to legislatively. The EI fund is specifically set up to look after people who are temporarily out of jobs. The government has rolled billions of dollars from that fund into the general revenues in the consolidated revenue fund.

Let me talk more about the debt. Under the present government the debt grew from \$508 billion in the 1993 budget. Let us say \$546 billion; we will concede that it was not responsible for the deficit in the first year. Now the debt is around \$565 billion. The debt has grown and it has grown substantially under the present government. Yet the Liberals are spinning it in such a way that literally thousands of Canadians think that hey, the debt is gone. They keep talking about eliminating the deficit and they do not communicate clearly with Canadians that the deficit is simply the amount one borrows.

Instead of borrowing, we now have surpluses, that is true, but it is with no thanks to the government. It would have happened anyway. The fact of the matter is that our total debt, the amount against our national credit card, is considerably greater.

As hon. members know, I taught at the Northern Alberta Institute of Technology. One of the courses I taught was the math of finance. I did a little calculation. Just using round numbers, with a debt of roughly \$580 billion, which I admit is now a little less, in order to retire a mortgage of \$580 billion in 25 years would require posting a surplus toward it of \$50 billion a year for 25 years. Those people are doing that. We are paying \$40 billion in interest thanks to this government, the one preceding it and the Liberals preceding it. We got that huge debt and now we are paying \$40 billion a year in interest. The government is paying it with taxpayers' money and it is paying another \$10 billion against the principal. Lo and behold, that adds up to \$50 billion a year. At that rate we will be rid of our debt in 25 years.

That is great. As long as I can do anything about it, we will do everything we can to pressure the government into resisting the additional spending it is prone to do. The only thing not mini about the mini-budget is the new spending programs. Added up over the next five years the Liberals are looking at spending an additional \$50 billion. A lot of it is for straight political purposes as we have seen particularly over the last year. It is totally atrocious.

I would also like to address the question of tax cuts. The finance minister loves to stand in his place and say they are not only going to do da-di-da, but they are reducing the tax rate to 16%, from 17% to 16%. It is a crime that the Liberals are taking any tax money at all from the people whom they are taxing. They suck \$6 billion a year from families whose income is less than \$20,000 a year. That is absolutely atrocious. The Liberals are crowing that they are not going to take 17% of our taxable income anymore, but they are now going to take 16%.

#### • (1135)

This is what those numbers mean. This is approximate; I did not do an actual tax return. I just did some rough calculations based on a family making \$26,000, a mom and a dad and two kids. The Liberals tax them around \$2,000; actually \$2,147 is the number I got. If that is reduced to 16%, their tax is reduced by \$126. This is a family that makes a scant \$26,000, a mom and a dad trying to raise two kids, and the government is asking us to jump up and click our heels, which I find difficult to do for two reasons and members will them figure out. That family will keep \$126, \$10 a month, and the Liberals say that is great.

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Under our tax plan the same family would get a tax cut of 100%. We would cut that family's taxes entirely. They would not be required to pay because they are poor.

Let us consider people with a little more. The Liberals are trying to spin it that all we want to do is give a tax break to the rich and not to the poor. They are the ones who are taxing the poor. We are the ones who are ready to relieve the poor of tax.

Mr. Hec Clouthier: Tell us about the flat tax.

**Mr. Ken Epp:** Mr. Speaker, I do not have time. The member can ask that in a question.

In conclusion, if there were an Alliance government, we would begin to relieve the tax burden of Canadians in a substantial way. It is a fact that reducing the tax rates for families who are poor provides much more money for them than do the grants and the administration costs and all of the other boondoggles that we get from a government that believes in taking money from taxpayers and then having the bureaucrats or politicians decide who gets it back.

I am very pleased to announce that when the Alliance forms the government, it will be the end of hotels being subsidized in Shawinigan.

Mr. Roy Cullen (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I read an article this morning in the *Globe and Mail*, a newspaper that often is not too kind to the Liberal Party. The article was by Hugh Winsor. He talked about the Alliance tax plan. Here is what he had to say about the Alliance tax plan:

The Alliance plan is totally predicated on a presumption of tax greed: that everybody wants lower taxes, even if it means fewer services from the government. It is a plan clearly skewed toward higher incomes.

That really captures the essence of the Alliance's tax plan.

In the House this morning the member for Elk Island and others have talked about low income Canadians. I would like to acquaint Canadians and the House with the impact yesterday's economic statement will have on some Canadian taxpayers.

For example, a one earner family with two children with an income of \$40,000 a year paid about \$3,325 in federal tax last year. The Alliance has not said when its tax measures would come into play but as of January 1, 2001, and not some unknown timeframe out there in never-never land, the taxes for this family of four will fall by \$1,100. That is a 32% saving in federal income taxes. That is not all. I have just begun. By the year 2004 their taxes will fall by 59%.

How about a single parent with one child earning \$33,000. As of January 1, and not 2004 or 2005 or some other time in the distant

future, but as of January 1 a single parent earning \$33,000 will pay no net tax at all. Zero, zip; in English that is none.

Could the member tell us under his tax plan what programs his party will cut? It will have to cut \$25 billion in programs.

## • (1140)

**Mr. Ken Epp:** Mr. Speaker, this is really an interesting debate. I do not think it was a year ago when we were pushing for tax cuts that the Prime Minister said publicly in the newspapers that he was not cutting taxes as that was not the Canadian way. Now all of a sudden the Liberals are bragging that apparently they think their tax cuts are bigger than ours. That is not true of course, but they are trying to spin it. What an amazing transformation.

On the member's question, first of all, on the reduction in taxes for those who are in the \$30,000 bracket, which is not a rich bracket, our tax plan is going to give them some real relief because we are reducing the exemption. There is a big difference.

A \$20,000 income being taxed at 16% is \$3,200. At 17% there is the same amount of tax revenue from an income of \$18,000. In other words, reducing the exemption by \$1,176 gives an individual a 1% reduction. We are reducing the basic exemption by about twice that, by \$2,500 approximately. As a result, even though the remaining part will be taxed at the end of our plan at 17% instead of 16%, it still means the taxpayer will be paying less tax because it is only 1% higher but it is on \$2,500 less money. Under our plan the person pays no tax at all on that much more money.

It is a problem in communication and the Liberals are really good at that. People look at 16% and 17%. Somehow the Liberals are able to separate Canadians from their money so efficiently and make them feel good about it. In a way we have to admire that skill in communication. We have to admire that, but it is being dishonest to Canadian people.

Mr. Richard M. Harris (Prince George—Bulkley Valley, Canadian Alliance): Mr. Speaker, I must have known that the Parliamentary Secretary to the Minister of Finance was going to ask the question about what programs we would cut because I brought a list of them with me this morning which I would like to present to the House.

The Canadian Institute of Technology and Economic Commerce received about \$3.5 million. We are going to cut that program. This group was established in the Prime Minister's own riding and incidentally, its two principals were charged with fraud and theft in August 2000.

Wiarton, Ontario where groundhog day is held every year just received \$50,000 from HRDC to help with its groundhog day program. We are going to cut that program. Incidentally, the people

of Wiarton are going to receive that money in the form of funding for health care and post-secondary education rather than for their groundhog day. We think those two things are more of a priority to them contrary to what the Liberals are talking about.

American based RMH Teleservices was enticed to the HRDC minister's riding with a \$1.6 million HRDC grant over the protests of one of the neighbouring Liberal MPs. The principal of RMH Teleservices said that one way or another it would have been in Brantford anyway, with or without the \$1.6 million from the Minister of Human Resources Development. I just realized that is the riding of the HRDC minister.

For the Liberal government's interest, there is another program we are going to cut. Canadian Aerospace Group in Nipissing, Ontario received \$917,000 of a \$1.3 million transitional jobs fund grant before going bankrupt without building any aircraft. There is a bright side. This bankrupt company then moved to Saint-Hubert, Quebec and was approved for another \$1.6 million from the Canadian economic development for Quebec regions. There was a little vote gathering going on there.

• (1145)

To answer the Parliamentary Secretary to the Finance Minister, those are the programs we will be cutting. That is how an Alliance government would be able to fund important things like health care and post-secondary education, programs that keep our best and brightest here in Canada instead of seeing them go south. I think Canadians would agree that those other programs are far less important than health care and education.

Let us get to the election plan of the Liberal government that was brought down yesterday. It is important to first establish a real truth about the government. The real truth about the government is that it cannot give to the people that which it has not first taken from them.

The Minister of Finance stood in the House and brought down this mini-budget. He has, in a magnanimous jester, which just happens to coincide with the calling of an election, tried to out do the tax relief of the Canadian Alliance Party. I am pretty flattered that I have been part of a political party sitting in opposition in the House that has been so effective in our calls for tax relief in the last seven years that we have been able to influence a Liberal government that throughout history tax relief has been the furthest thing from any of its policies or philosophies.

Just show me a book on Liberal governments going back to 1867 where a Liberal government came up with an idea all on its own, where it would give Canadian taxpayers some tax relief. I would love to see that book but it is not there.

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Let us be clear. The finance minister and this government came to this mini-budget last night kicking and screaming. They were in fact dragged, drugged to that point over the last seven years by the Canadian Alliance Party and the Reform Party before that.

**An hon. member:** He doesn't know how to use the past tense of dragged.

Mr. Richard M. Harris: He sort of drug that one up.

Mr. Hec Clouthier: You need to drag it again, that's gone.

**Mr. Richard M. Harris:** Mr. Speaker, the member from Nipissing unfortunately has been drug around by a horse a little too long. It is starting to affect his thinking.

As I commented on once before, if one focuses on something too long one tends to take on the characteristics of it. It is obvious in his case he has by riding in that little cart behind the horse.

There is one thing about the Liberals, and let us be fair, they may be devious, they may be deceitful—

Some hon. members: Oh, oh.

The Acting Speaker (Mr. McClelland): Devious we can get away with but we cannot have him in a sulky if we are using deceitful. So we would ask you to please withdraw the word deceitful.

Mr. Richard M. Harris: Certainly, Mr. Speaker. They may be at times seen—

#### • (1150)

The Acting Speaker (Mr. McClelland): No, no. I am asking you to withdraw the word deceitful.

Mr. Richard M. Harris: Mr. Speaker, I withdraw the word deceitful.

The Liberals may be at times, in addition to being devious, seen to be lacking in integrity. They may seem to be at times, by some people, lacking in moral fibre. However, one thing they are not is stupid when it comes to using the book of election trickery. They know that book very well and they have read that book very well. We saw an example here yesterday of just how much they have been able to embrace that book of political trickery over the years.

They have been stripping Canadian taxpayers of their hard earned money for seven long years. They have put in about 40 tax increases over the last seven years. They have taken over \$50 billion of new tax increases over the last seven years. Now, on the eve of another election, they are going to give them all their money back.

What a gimmick. What a gift. They are going to give Canadians back their own money. This is amazing. They think they are doing

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something wonderful. It is like when my children were small. When they misbehaved I would take away their toys. When I would give them a few back and they thought they were getting something new.

They have failed miserably in their attempt to out tax relief the Canadian Alliance Party. Their program simply is not believable. One only has to read the recent auditor general's report on HRDC and on budget program 2000 and see the language that is contained in that report.

Given all the evidence of the mismanagement of HRDC, the billion dollar or so boondoggle, given the wording of the AG's report on the budget 2000 that the minister has presented, a financial document that is misleading, Canadian voters will be asking themselves one question: Can we trust the Liberals? The answer will be a resounding no on November 27 when they elect a Canadian Alliance government to run this country properly.

Mr. Hec Clouthier (Parliamentary Secretary to Minister of National Defence, Lib.): Mr. Speaker, talk about the beam, beam me up, Scotty. I do not know where this member just came from.

I do not know where to start. I do not know whether to call him a well practised prevaricator, because he is at variance with so many truths on this side of the House, or whether to say he suffers from selective amnesia. He stood up and said that he was going to tell the parliamentary secretary of finance where his party was going to make the cuts. The cuts under that party's flat tax plan would mean that we would have to make cuts of \$25 billion.

I do not have the mathematical expertise of the hon. member for Elk Island. I am just a farmer and a lumberjack from the upper Ottawa Valley, but I have itemized this. He has \$7.5 million, so he is only about \$24,996,000,000 shy.

First, he did make a rather caustic remark about me being in harness horse racing. Yes, I am very proud of the fact that I have my licence for harness horse racing. I have probably seen more horses' asses than most people, so I know them when I see them. I am looking upon them now because if that party expects the Canadian public to buy its tax plan, it is treating the entire Canadian public like a bunch of horses' asses, excuse the language.

**The Acting Speaker (Mr. McClelland):** I know the hon. parliamentary secretary understands that I know exactly what he is talking about. I would ask that we not refer to each other or to anyone else in that frame. As much as I enjoy it, I do not think we should.

• (1155)

Mr. Hec Clouthier: I beg your indulgence, Mr. Speaker.

When the member wants to take a run at our Prime Minister and our Prime Minister can quite easily defend himself—but when

he starts to talk about \$2 million and \$3 million, which he has no proof of, let us look at the scenario.

The Leader of the Opposition gave over \$20 million in grant money to golf courses, tuxedo rental shops and limousines in his own riding and over \$14 million has not been accounted for. Let us not start taking a run at our Prime Minister because of something that he may or may not have done.

Let us talk about health-

The Acting Speaker (Mr. McClelland): I am sorry but we are running out of time. We have to give the hon. member a chance to respond.

**Mr. Richard M. Harris:** Mr. Speaker, I am glad he finally got to his question.

What I did when I stood up earlier was explain to the parliamentary secretary some of the programs that we would cut. Granted, we are talking at this stage only about \$7 million or \$8 million. If I had an hour we could put it up into the billions.

The member from Nipissing says that we are \$25 billion short. Let me state exactly where it is because hidden in this magnanimous gesture of tax relief, in this mini-budget, is \$52 billion in new spending. Twenty-three dollars billion goes to health care, which it has ripped out of it since 1993, but that still leaves about \$25 billion in new spending programs that the government is trying to hide in this mini-budget by talking about all the tax relief; \$25 billion in new spending. Just to make sure that it got spent, just to make sure that no Liberal forgot how to spend money, they brought in the ex-premier of Newfoundland to remind them all how to spend money. We are going to see that person in action if this Liberal government, my goodness, I shudder to think, should ever win the next election. I pity the people in the government, and there are two or three who have some fiscal sense, because they are going to be crying themselves to sleep every night as they watch the ex-premier of Newfoundland teach all the Liberals who may have forgotten how to spend money how to do it once again.

**Mr. Alex Shepherd (Durham, Lib.):** Mr. Speaker, I am happy to enter the debate and talk about some of the numbers that the previous speaker was missing.

He said that there was some more spending in here, and he is correct, but look at the spending programs. The spending is on the environment, on alternative fuels and on making our air and our water safe. These are the things that the reform alliance has no interest in. It also has spending to enhance our granting councils, to put more money into research and development, to invest in the brain power and the knowledge power of the people of this country, to make this country a better place and to make us more innovative in the world of global economy. These are the things of course that the Alliance is not particularly interested in.

I hear the members from across the way laughing and carrying on as if this was some kind of funny game. This is not a game. It is very serious to the people of Canada. The debate is about public versus private spending.

The opposition would have us believe that somehow by stripping out public expenditures they would simply go away. The reality is that if we take money out of certain programs it will simply have to be replaced by the private sector. I know the reform alliance would just love to see this in the area of health care.

It was interesting that the other day one of their own speakers was telling us about the access to health care in the province of Alberta where in fact people have to pay their own premiums and that there was a whole list of people in the province of Alberta who, for whatever reason, were unable to make the premium payments and, as a consequence, did not get health care.

• (1200)

That is the kind of society the former treasurer of the province of Alberta would have us live in. Canadians are not fooled by those kinds of choices. Canadians do not want that kind of society.

I would like to talk about the whole area of taxation. Certainly the economic plan of the Minister of Finance was very forward looking with its concept of reducing personal taxes. Across progressive income tax rates we really have four income tax brackets if we count the first one as being zero.

I would like to talk to some of the people out there today about progressivity in the income tax system and the so-called vision of taxation our members across the way would have us believe in. Progressivity simply means that as people earn more money they have the propensity and the ability to pay proportionately more tax. In other words, they are not paying proportionately more tax on all the money they have earned but only on that portion of higher income they have earned.

Canadians have long accepted the concept of progressivity. If one is wealthy, if one has been so generously endowed to earn well, one will pay proportionately more in income tax. We are not talking about rates. We can see today that our government has reduced rates. The two different issues here are rates and progressivity.

I would question all this business about exemptions, deductions and so forth. They really mean nothing to the average taxpayer. The only thing that means anything to anyone is total tax bite in relation to total income. Subtract the two and what is left is the disposable income with which one can actually go to the supermarket or

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department store and physically buy something. That is the only thing that is important to people.

I would suggest that people start thinking about all the taxes they pay in their lives. We talk about municipal taxes, about sales taxes, and about excise taxes. The one thing they have in common is that they are all flat taxes. They do not go up as one's income goes up.

If we took all of those taxes, included income taxes and looked over the broad spectrum of people's earnings, guess what? Canada has a flat tax system today. As incomes go up, in other words, total taxes do not. I have statistics here from numerous professors that will bear out this equation.

We can go into the reform alliance members' dream world, or I should say nightmare, of a flat tax system that would take the income tax system and also flatten it. They have backed away a little from that. They have said they will not do that right away. Maybe they will just wait awhile or sneak it by the door and then stick it to people. The reality is that people are not going to be fooled by that.

By the way, no countries in the western world have a flat tax. No peoples in the western world have sat down and said it is a fair and reasonable thing to flatten the income tax system. I know the province of Alberta thinks it has one but it is not a country yet.

If in fact the income tax system was flattened, what would happen? Looking across the perspective of people's incomes we would actually see the wealthiest people paying less proportionate tax than the middle class. Let us think about that. We would actually see a line on a graph. As people start hitting \$100,00 a year and over, their proportionate tax bite would actually go down. I can think of nothing more perverse or immoral from a party that talks about morality and values. I can think of no situation that can justify such an immoral position as transferring taxation from the wealthy to the middle class. This is a fundamental issue as we go into this election.

#### • (1205)

I have had the privilege to go to countries that actually have this type of taxation system. They have it not by choice but through corruption an an inadequate way of collecting taxes. Many of the countries in South America often have a similar system.

There one finds a small group of wealthy people who pay very little tax. They have their money hidden in foreign accounts and so forth and do not contribute to the economy. Then one finds a massive group of poor people who have no ability to participate in that economy. It is not good for either the wealthy or the poor. The wealthy cannot sell goods because there is nobody to sell them to and the poor cannot consume them because they do not have the money to buy them.

I suggest that this vision of reform alliance on flat tax would drive us into a two income groups: one for the wealthy and one for

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the poor. Few people in the existing middle class would have the ability to catapult or make that astronomic jump from being middle class to wealthy. That is the vision that party would bring a vision where the wealthy get wealthier and the poor are destined to be poorer and poorer.

The previous speaker talked about some of the wasteful spending of the federal government. It makes the assumption that if governments spend the money it is terrible, but if somebody in the private sector spends the money it is good.

I have a list of HRDC programs. I look at the Alliance formula here. They talk about all the stuff they would reduce to make their little world work. They talk about reducing HRDC grants and contributions.

I want to talk about some of the things that have occurred in my riding of Durham. I look at the first one on the list of people who received grants from HRDC: Independent Deaf Services. Archibald Orchards and Estate Winery is a small business that is trying to establish a winery in my riding, and very successfully. They taught some young students skills they probably would not otherwise have received because nobody would hire them. They hired those kids to work in that business. The business is successful, creating jobs in my riding and bringing in wealth. The winery is also exporting product across the border, bringing export dollars into Canada.

Another organization I presume the opposition does not like is the Bowmanville Memorial Hospital. HRDC gave money to allow people to work in the summer months at the local memorial hospital.

The Bowmanville Zoological Park is another one. This is private sector. They own a park. They are doing films. I cannot remember the classic film about the elephants in Africa, but those elephants came from Bowmanville. They train elephants for movie productions. They created a school to do that. People are coming from all over Canada to get this training, and we are exporting that to the movie industry all over the world. This is a success story that the reform alliance would have nothing to do with.

I will refer to another so-called terrible expenditure.

**Mr. Ken Epp:** Mr. Speaker, I rise on a point of order. I usually let members misuse our name three times before I rise. It is now three times that this member has not called us by the proper name as ruled by the Speaker. It is Canadian Alliance. I would ask you to remind the hon. member of that.

The Acting Speaker (Mr. McClelland): The hon. member for Elk Island is quite correct. The name of the Reform Party has been changed to the Canadian Alliance. It has been clearly understood that this is the name by which the party will be recognized.

**Mr. Alex Shepherd:** Mr. Speaker, we can dress them up but we still cannot take them anywhere.

• (1210)

The Central Seven Association in my riding received \$10,000. What does Central Seven do? It deals with the mentally handicapped in my riding. This is a program the opposition would be happy to stomp out.

Tyrone Mills is a privately owned historical site in my riding that is having a very difficult time maintaining itself. It is one of those areas where if it was not privately owned it would have to be government funded and cost us twice as much to maintain. We gave the historical site the terrible sum of around \$13,000 back in 1998 to help with some of their summer student employment programs.

White Feather Farms is a very successful farming operation in my community. It received \$6,000 to assist in summer employment on the farm. Young people got work experience in the agricultural sector. These things would not have happened without these programs.

The list goes on: the municipality of Clarington; the Durham region community care association, which helps people with home care; and other things the opposition, whatever their name is, would do away with.

To the people of Durham it is not funny. The people of Durham take this very seriously. They do not find it particularly humorous to be told that these things are a waste or boondoggles. They can see right through it.

I would like to move on to the so-called health care agenda of the Alliance. It is interesting to read the letter the Alliance's illustrious leader sent to the premiers on the discussion of the health care formula. Essentially he talks about the transfer of tax points to the provinces in support of health care. This is the same party that refuses to acknowledge the fact that back in 1997 the federal government entered into an agreement with the provinces to transfer tax points in support of health care. In its little booklet it shows a wonderful graph of how the Liberals stopped spending on health care. What is missing? The transfer of tax points, which is the very thing they want to do. Its whole platform is not only ridiculous but also unethical, frankly. It is not true.

That program of transferring tax points to the provinces would simply mean the federal government would have nothing to say in health care. Indeed, the provinces are arguing about that now. In my own province the government refuses to acknowledge the fact that it was transferred tax points back in 1997, as if it never happened.

For those people who do not fully understand tax points, and many of us do not, the federal government has a federal income tax on which the provinces usually piggyback their taxes. With tax points, rather than simply taking money in and sending provinces a cheque once a year, the federal government would just reduce its amount of federal tax and allow the provinces to occupy the taxation room. The provinces would then collect directly.

However, once the government does this it is almost like giving candy to a baby: provinces consume the candy and want more. They seem to forget the fact that they received these tax points and have been enjoying the benefits since 1997.

That is the type of regime this party would impose on us in the area of health care. In other words, rather than money being sent from the federal government to the provinces, it would all go through the position of tax points. That essentially means the provinces would go their own route to creating a health care regime.

• (1215)

They will forget about the federal government which essentially ends up in the creation of 10 provincial health care systems and also systems in the territories, none of which make any sense to each other, none of which would be portable, transferable or accessible. The reality is Canada's health care spending is the fourth highest per capita in the world and yet when it comes to service delivery, we rank about 18th. The federal government did not create those statistics, the provinces did because they are responsible for the administration of health care.

It begs the question then why would we transfer more power to the provinces that already created this inefficiency, this inadequacy? Does this issue of commitment to health care by the so-called Alliance help to get down to the root problems of the health care system? No, it does not. It simply means that we would transfer power from the federal government to the provinces and there would be no uniformity of health care in the country.

I note in their little platform document that the Alliance says it is interested in Canadian unity, yet when we ask people what unites us as a nation we often talk about our social programs. The fact that we have a universally accessible health care system is one of the things that we see as defining us as Canadians. This is the very central issue that the Alliance would do away with, a universal health care system, and in fact it would allow for the experimentation of privately funded health care.

I note in its documents the Alliance talks about needing more doctors and nurses. I had a health care forum in my riding and I brought in the people who run Durham Lakeridge Health Corporation. I brought representatives from the physicians and nurses. It was a funny thing; after discussion that night the conclusion was that it has nothing to do with money. Sure, we would like a little more money for our MRIs and for machinery, but the reality was that the problems were fundamental. We had too many doctors pushing paper, working on computers and not delivering health care. We had an administrative system in our provinces that mitigated against the delivery of health care.

The Alliance members celebrate that. They want to give more money. They keep pouring money into the top of this thing but it is not coming out at the bottom. That is why when we sat down with the provinces we demanded there be an accountability framework. We demanded that there be accountability on how we are spending the money, on how waiting lists are being made better, how the delivery of health care to average individuals is being made better. We believe that there is a fundamental role for the federal government in health care, of the lives of the people of this country. That is a fundamental difference between us and the party over there.

I would like to talk about some of the other elements that were in the economic statement, not the least of which were some interesting elements in reducing corporate taxes and also capital gains taxes. I note that with our capital gains tax reductions, capital gains tax in real terms relative to the American tax is actually lower now. This gives Canadians a great opportunity to invest in themselves and in the country. It has always been one of our sore points that Canadians have often not invested in themselves. We have allowed for greater rollovers of capital gains. If we buy stock in small companies and then buy another one, we can keep rolling over that money in Canada tax free.

I will end on that happy note. This is a great economic statement. The party over there is in lots of trouble.

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I rather enjoy listening to the member because he has a logical mind but sometimes he tends to distort things. It is just the way it comes out, but I thank him for his speech.

I would like to correct one misconception. It is in fact true that individuals in Alberta and British Columbia pay a premium to have access to the health care system. That is how those provinces happen to set it up.

#### • (1220)

I would like to inform the member and everyone else who heard him that people who do not have money do not go without health care in Alberta. As a matter of fact, there is a means tested system. If people do not have the means to pay the premium then they are exempted from paying it, which is the way it ought to be. I do not think the member raised a valid point.

I would like also to talk a bit about the health care system. I noticed that the member wears glasses. I am sure he has been to a dentist. It occurred to me that neither optometric services nor dental services are covered under the Canada Health Act and yet it seems that our Canadian population is well served by private enterprise in those areas. We also have general practitioners and hospitals and so on that are publicly funded. That seems to work

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reasonably well most of the time except when there are some severe glitches in the system as we have experienced in Canada in the last seven, eight or ten years.

It would be disingenuous of us to simply say that we will never discuss whether or not there is a role for private practitioners. I think there is. As I have already said, there are a number of different medical areas which are certainly essential. I would be really lost, literally, if I did not have my glasses and yet I do not expect anybody else to pay for them. We should have in place a system whereby those who do not have the means to pay should be able to get their glasses covered. I think they do through our social welfare system. We are not against that.

As far as health care is concerned, the member really does misrepresent our stand. We have always had, reflecting the wishes of Canadians as a grassroots party, the health care system as our highest priority. It has been a concentrated effort on the part of our, shall I call them our political adversaries, to try to distort our image on health care. I am getting very tired of it. I am one who fully supports an adequate health care system. I believe very strongly in and voted for our policy that says no Canadian shall be denied needed health care because of a lack of ability to pay. That is our policy.

I would like the member to stop his concentrated effort of distorting what we believe in so that his party can somehow come out as the defenders of health care when in fact it has been under their watch that health care has seemingly suffered so very much.

**Mr. Alex Shepherd:** Madam Speaker, the member for Elk Island said that I was distorting his party's position. This was concerning the list of people, possibly in Alberta and British Columbia, who are required to pay their own premiums and if they did not, it was possible they would not get access to the health care system. I am only repeating what I heard the member for South Surrey—White Rock—Langley say yesterday. We can go back and look at her speech where she said those very things. She is stating presumably the position of the Alliance. I would not say she was misleading the House. I presume she was telling the truth.

On the issue of other private sector provided health care, I think members will find that in the area of dental care where people do not have some kind of coverage whatsoever with their employer they get poor dental care. We could go to the dental association and others who will confirm that. Reality is where the service is not readily available people do make economic choices. If they have less money, they get less health care. That is all there is to it and that is the kind of system the member is promoting.

On the member's final point he said that I was distorting the position of his party regarding the facts or the balkanization of the health care system. I would like to mention some statements from his own leader who sent a letter to the premiers. In the letter he talked about allowing for, more or less, a system of tax points

being transferred to the provinces. This will allow any province to opt out of cost shared programs in areas of provincial jurisdiction with full compensation. Opting out. Have we ever heard of opting out? That was Quebec's thing years ago, "Opt out of this. Opt out of that. We will create our own program". That is exactly the health care system that this party wants to promote, an opted out system where everybody is going off on their own little bailiwick with no accountability, with no commitment to the people of Canada and certainly no harmoniousness across this country that we could all share and respect as our health care system.

#### • (1225)

**Mr. Ken Epp:** Madam Speaker, I reject what the member is saying about our policy. We believe that it is the role of the federal government to work very closely with the provinces and come to an agreement with them with respect to the funding of health care across the country. Certainly there has to be accountability.

I find it rather amazing that a member from the government side, after the gross mismanagement in HRDC and in native affairs, that the auditor general just decried—it is not us saying it—that he would somehow imply that the Liberals are the masters of accountability and there would be none under our programs. It is really just the opposite. I need to rebut that.

I would also like to ask the member about tax credits. During his speech he indicated that the view in our graph is somehow distorted. He actually held it up even though props do not usually appear in the House. I often wish we could. As a math teacher I would love to show those graphs to help communicate. He actually did it and got away with it. He showed that dip in health care spending by the federal government which was indeed cash transfers. I understand tax points. At the same time we never noticed that our federal tax load actually went down. In other words, the tax room was vacated but we were still being taxed.

There is that aspect to it. The other part that rather confused me is that he said "We are not acknowledging that they transferred tax points and that this is good". Then he also said almost in the same sentence, and I may not be able to quote it exactly, something along the line that when transferring tax points, the federal government's ability to have a say in it is removed.

I disagree with that. I think that tax points is a valid way of arranging with the provinces for financing. I would like to ask him if we propose tax points it is bad, if it is done by them and we are not acknowledging it, it is good. I think he is inconsistent and I would like him to clarify.

**Mr. Alex Shepherd:** Madam Speaker, quite frankly the decision to engage in the tax point exercise was in 1977, certainly a long

time ago. I was not around. I believe that the government confronted with the same choice would not do that.

It simply has not worked out. In the province of Ontario, the premier continually ignores tax points. In fact he delights in spending millions of dollars of taxpayers' money showing how little the federal government is contributing to health care, totally and erroneously misrepresenting the position of the province of Ontario.

When the member says that this is a fair and equitable arrangement if we give tax points, it is not in reality in the day to day push and shove of politics. Provinces will not come clean. They will not stand up and say "We honestly understand what happened. We honestly understand that tax points were given to us. We will give you credit for it". They just say "You are not doing your share. You are only giving us 13 cents on the dollar and therefore you have nothing to say in the area of health care". That is not true. We are not willing to accept that. We are not going to accept it in the future.

**Mr. Ken Epp:** Madam Speaker, on a point of order. I wonder if I could find unanimous consent of the House to just ask the member one more quick 30 second question.

The Acting Speaker (Ms. Thibeault): Is there consent to continue questions?

Some hon. members: Agreed.

Some hon. members: No.

• (1230)

[Translation]

Mrs. Pauline Picard (Drummond, BQ): Madam Speaker, I will begin by saying that it is obvious to everyone that the government had one thing and one thing alone in mind when it brought down this mini-budget, and that was the upcoming election. All economists and editorial writers today would agree.

With the staggering, not to say exploding, surpluses at the disposal of the Minister of Finance, we were expecting that he would do something for those who were really responsible for helping put the fiscal house in order, those whose efforts have made the last three years of zero deficits possible and are still being gouged by the federal tax system, those who are the reason the Minister of Finance can stand here today and boast about surpluses.

We thought that the main beneficiaries of these tax cuts would be low and middle income families, not families at the top end of the scale who can take advantage of tax loopholes, not those earning This year he dares to say that the surplus will reach \$6 billion only, whereas close to \$12 billion is already sitting in the federal government's coffers. This is more than double his forecasts for this year. He could have done twice what he is doing now.

He could have helped the most disadvantaged, low and middle income earners, the folks who pay EI premiums, and the small and medium size businesses which are now footing the bill for tax cuts for the rich.

He could also have helped the unemployed men and women who are not receiving any EI benefits because of the drastic cuts made in the system and because of the tighter eligibility criteria.

It is the families in rural areas, young people, women and seniors who are paying for the income tax cuts of the rich.

The government wanted to upstage the Canadian Alliance before the election call and woo its voters. The government seized on the idea of the flat rate proposed by the Canadian Alliance, which was strongly criticized because it favours the millionaires, and incorporated it into its mini-budget.

It took the \$100 billion in surpluses from the pockets of low and middle income taxpayers, off the backs of the unemployed, women, young people, the sick and the disadvantaged. It is totally indecent.

Do not get too excited about the tax cuts because we are not going to get them right away—only in a year and a half. It could have presented the same budget in February, but the wealthiest in society will not really feel the effect of this mini-budget for a year and a half.

According to the information in the Minister of Finance's economic statement and budget update, a single parent family with an income of \$250,000 or more will enjoy a tax cut 40 times greater than a family with one dependent earning \$30,000. In the case of an income of \$250,000 the reduction represents \$20,000 net in income tax, and in the case of an income of \$35,000, it represents a mere \$500, when there is one dependent involved.

The government is giving millionaires a \$20,000 cut in income tax and middle income and disadvantaged families a \$500 cut. What is even more disgusting is that the government will give the most disadvantaged families a government cheque for \$125 because of the current oil crisis. This is really disgusting.

## • (1235)

The minister kept telling us that people earning \$35,000 did not pay taxes. We questioned him on several occasions, because we knew that these people were in fact paying taxes, but he kept telling us that they did not.

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Oddly enough, now he admits that they do pay taxes, since he just told us that they would be paying less. If this is not trying to fool people, I do not know what it is.

This budget also shows that the government continues to accumulate surpluses shamelessly because, as I said earlier, the tax cuts will occur in one and a half year. Once again, the government continues to fiddle with the figures by using tax deductions as tax cuts. This has to be seen. Members should take a look at page 97 of the minister's economic statement, where a chart shows that the employment insurance fund is being used as a form of tax relief.

The government is dipping into the surpluses of the EI fund to grant tax cuts to high income earners. Moreover, it is fiddling with the figures and using the child tax benefit.

The GST, a tax that should not exist when a government is enjoying such surpluses, is part of the tax relief scheme. Even the auditor general condemned this dubious practice and told the government not to resort to it again. The government then brought down a mini-budget and again fiddled with the figures to create a smokescreen. It hid the real figures because it was afraid to have a real debate on the real issues.

I currently am a member of the Standing Committee on Finance. I was at the in-camera presentation of this mini budget, before the Minister delivered his speech in the House. Out of curiosity, I immediately checked where was the support promised to women's associations that met with the Prime Minister last week.

These women had 13 basic claims. They met with the Prime Minister who told them to wait and see what would be in the mini budget. That was the first thing I did. Believe it or not there was nothing and even less than nothing.

There is nothing for low income single mothers who should pay no income tax, nothing for social housing and nothing for the former older workers of the Celanese plant in our region, which has closed down. These people contributed to employment insurance for 30 and 40 years. They were given a severance cheque, which they were told was a gift that they should use, and later we would see if they were entitled to employment insurance benefits.

These people, aged between 55 and 57, will have a hard time finding a job because, as we know, entrepreneurs and employers do not hire people of that age, whom they no longer trust. This government had a duty to establish a program like the modified former older workers program.

There is nothing in there for the former workers in Drummondville, Jonquière or other areas who suffer the hardship of plant closures.

There is nothing for employment insurance, parental leave, foreign aid or for ordinary people who paid for those surpluses. Nor is there any basic financing provided for associations working with women.

#### • (1240)

The government cut all forms of assistance and core funding to these women's groups when it asked them to submit projects. It assesses the merits of each project and then tells the women that it will be sending a cheque with a maple leaf.

The women who work in these organizations put in between 70 and 80 hours a week to come to the rescue of other women faced with some very basic needs. Instead of spending their time helping other women, they now have to develop projects to find the money they need. They would not always have to look for money if the government had taken its responsibilities and extended core funding to help these organizations.

I want to remind the House that these groups that help women in need are the keepers of the fundamental values of our society. When a government has been able to generate a surplus on the backs of low and middle income taxpayers, as this one has, one of its priorities should be to meet the demands of women's groups; it has a duty to do so. I imagine the government will pay for this on November 27, the night of the election.

The Prime Minister laughed at them. Women's groups got slapped in the face by the government. The Prime Minister knew full well that women would get nothing from the budget update. He does not care at all about the demands of women. This government is laughing. Women's groups are of no interest to it.

Yet it is the women who raise children and support society, but that is not of any interest to the Liberals. They prefer the people earning \$250,000, those who have easy lives, those who have no trouble getting around the taxation system in order to pay less tax, and those who have no trouble keeping a roof over their heads. They prefer to give presents to these people instead of going with the real priorities.

It is indecent to present a budget like this one. There is nothing for the provinces as far as health is concerned. A transfer has been made, \$21 billion put back in the Canada social transfer, and now they are patting themselves on the back for that. Yet this is just the money that had been cut from the provinces. It is not even the government's money. Ottawa's money is the taxpayers' money and it must be returned to them via the provinces for health and education. Brutal cuts were made and now the \$21 billion is being given back to the provinces.

Today, in spite of the accumulated surplus, they cannot even index the Canada social transfer. The provinces still have a great deal of difficulty delivering services in the health sector because of the aging population, the high costs of the new technologies and the high cost of drugs. The provinces are still having serious difficulties and there is not an ounce of compassion being shown toward them. They are being given back the \$21 billion that had been cut and ought not to have been. With the surplus, as we can see, the provinces are being dragged down, are being strangled. The provinces are being made to bear the brunt of the burden; they cannot deliver all of the health services they would like because they cannot afford to, while the federal government is busy congratulating itself. This is disgusting.

There is no reference in this budget either to the indexing of funding to universities for post-secondary education. This is at a thirty year low. Nothing is said about that. They are patting themselves on the back about their \$100 billion surplus.

• (1245)

There is absolutely no indexation of the Canada social transfer for health and the youth. The budget provides a one-time allocation for heating costs. What a sham.

At present, a single elderly woman who has only her pension cheque to get by on is living under the poverty level. A recent study has shown that 47% of single elderly women are living under the poverty level. Those who have an oil furnace will get a small \$125 cheque, with the all important maple leaf to boot, when their bill has in fact doubled.

In 1999 the bill was between \$500 and \$600. This year it will be over \$1,000, \$1,100, or \$1,200. In colder areas, bills will be even higher. Yet the government claims to be giving a generous gift, a \$125 cheque. That is absolutely unacceptable.

In the budget, senior citizens living under the poverty level are also ignored. There is nothing in this budget for these elderly men and women who have a made a contribution to our society. The government should make them one of its priorities.

What will low income single mothers who spend 30% of their income on housing do when their heating bill doubles? Will they deprive themselves of food toward the end of the month or freeze in their homes? The \$125 cheque from the government will not be a big help. One hundred and twenty five dollars does not even cover one grocery bill for a single parent family with two children.

The Liberal government has reduced the income tax for the rich and the friends of the party. It has done just like the minister who cannot understand that, because he has his ships built somewhere else. He could not care less. That is also the reason there is nothing in this budget for shipbuilding yards; nothing for the one in Quebec City and nothing for the other yards across the country. He does not care. He has his ships built elsewhere, just like he pays his income tax elsewhere. These surpluses do not come out of his pockets. It comes from the taxpayers, from the unemployed and from the workers who contribute to the employment insurance program.

This right wing budget is an insult to all Canadians. It is a budget that ignores the least advantaged members of our society.

The minister could have done a lot more. We have been putting forward the figures he is proposing now for a long time. We have been doing so for years. We have been telling him for at least four years that he will have all those billions in his coffers. He has always laughed at us.

While our figures match now, we in the Bloc Quebecois do not have the same priorities. If I had more time I would give you a list of our priorities. With \$147.5 billion, our priorities would target women, the disadvantaged and the low and middle income earners. For the government, it is the opposite. While we concentrate on those with an income of up to \$80,000, for the government that is the level at which tax reductions start.

We would also invest in tax reductions, and we will discuss our true priorities during the electoral campaign.

#### • (1250)

**Mr. Pierre de Savoye (Portneuf, BQ):** Madam Speaker, before making a comment and asking a question to my colleague from Drummond, I would like, as a preamble, to indicate to the House that last week I informed my colleagues of the Bloc Quebecois that I will not be seeking a third mandate.

I would like to take this opportunity to say to all my colleagues in the House how I appreciated working with all of them. It is indeed a privilege to represent our fellow citizens in this House.

I would also like to say that as a member of parliamentary committees and associations I had the opportunity to get to know some of my colleagues better, to develop a friendship with them based on mutual respect and consideration and to recognize their competence and their involvement in issues which we all wanted to see properly dealt with.

My only regret would be that it is still necessary to have members from Quebec sit in the House. I would have hoped to be the last federal member from Portneuf. I know that my colleagues had the same hope because if Quebec were sovereign there would be no need for us here.

Obviously the will of the people of Quebec has been different, but the presence of the Bloc Quebecois in the House, as we can see in today's debate and in those we have every day, is essential for the protection and the advancement of Quebec's interests. I might even add that it is more than ever essential. Thank goodness the Bloc Quebecois is here.

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That leads me to ask a question to my hon. colleague from Drummond with regard to the mini-budget the finance minister delivered yesterday. Here I will digress to say that while I thought Christmas was on December 25, apparently it was yesterday. However make no mistake, the minister is not a real Santa Claus. He is a phoney Santa Claus because he is not delivering real gifts I want to talk about the particular issue of the subsidy granted to individuals for heating oil. That is very nice, but not everybody heats their home with oil; others use other sources of heat. What about them?

Now that taxpayers will have a little more money in their pockets to pay their heating oil bill, what is stopping oil companies from raising oil prices? The law of supply and demand is well known. Market forces are at play, and it is not because the minister is offering that kind of fiscal measure that this will change.

Since consumers will have more money available, it will be a strong incentive for oil companies to raise heating oil prices in order to pocket that money. Besides, is that not precisely what oil companies have been doing for some time now, pocketing our money at the pump or at the time one buys heating oil in order to generate profits unheard of in many years?

In fact, the government is not dealing with the basic problem, which is the fact that oil companies are now abusing a situation I would describe as quasi-monopolistic and the consumers have to pay for that.

Does the hon. member for Drummond not think that with this fiscal measure of the finance minister there is a huge risk for the people she talked about, women in particular, to get swindled by the oil companies trying to put their hands on this little amount of money, which is not even enough to cover the additional costs they will be faced with this coming winter?

**Mrs. Pauline Picard:** Madam Speaker, before answering my colleague's question, I would like to tell him that we are sorry he is leaving the Bloc Quebecois, but this is his decision.

He has worked with us for seven years. I can tell the House that I have worked with him on some issues and that he is very professional, he wants to get things done, he is a hard worker and he has integrity. I think his constituents will miss him. All the Bloc Quebecois team will miss him.

I would like to thank him for everything he has done during these seven years for his constituents, for his riding and for Quebec's interests.

• (1255)

I do not have much to add to my colleague's question because he has answered it himself. Yes, there might be a suspicion that some people will be cheated. Perhaps the question I could ask—I do not

know who could answer it—is, when the government sends a \$125 cheque to help people with their heating bill, why will everyone get a cheque?

Let us say that a single person lives with his or her mother, for instance, or with a student or a roommate who is working and that the person who signed the lease receives the \$125 cheque to help with the heating bill, will the roommate also receive \$125? This second person does not pay the heating bill. We are totally confused. All those who get a GST tax credit, whether they have an oil heating system or an electric heating system, will get \$125, while this cheque is supposed to help those whose heating bill actually doubled. This is all very confusing.

The same holds true with the figures, which can be fiddled with. This is really confusing. As my colleague said, we can assume that there will be some slightly shady characters who will try to collect this cheque.

Something must be done, and the government must think twice before doing this. I think that if this cheque is going to be given to people to help pay their oil heating bills and if the government is going to refuse to take steps to lower fuel prices in Canada, the government should look into who will get a cheque to ensure that it really goes to pay the oil heating bills, as these bills have doubled.

## [English]

Mr. John McKay (Scarborough East, Lib.): Madam Speaker, I would like to note at the outset that I will be splitting my time.

When I first came to Ottawa I made a point of meeting with the Minister of Finance, in part to get to know him better and in part because I had run on a platform that emphasized debt reduction and tax cuts. We shared a coffee and exchanged views on the current issues of the day. Over the past number of years we have shared quite a number of other coffees, had a few meals and played some pretty lousy golf.

I have always appreciated the Minister of Finance's candour with caucus members, his intellectual grasp of the current issues of the day and his ability to reflect in the budget the issues he is hearing and give them force and effect.

I have also appreciated the support that the Prime Minister has given over the past number of years in fashioning a variety of budgets. Those budgets are in fact attuned to my set of values and beliefs.

When I ran in the last election I said that our debt was way too high and that we were becoming uncompetitive, with the United States in particular and the G-7 in general, in terms of our overall tax burden.

As I potentially face my constituents once again, I think I have a pretty good story to tell. I will be able to say to them that over the

past three and a half years in the course of our mandate the debt to GDP ratio has gone down from 71% to about 58%. I will be able to tell them about the absolute reduction in our net national debt of \$28 billion. I will be able to say that the reduction in market debt is even greater, at last figure \$32 billion, possibly higher. I will be able to say that the Government of Canada has run fiscal surpluses for the last three years. They can reasonably anticipate that debt to GDP ratio will come down to about 40% by 2005.

• (1300)

As I reflect on my conversation with the minister some three years ago, never in my wildest dreams would I have believed I would be able to go back to my constituents and tell them that debt story. I am amazed at the accomplishments of the Minister of Finance and the Prime Minister in directing the resources of the Government of Canada in dealing with its debt burden.

The other part of our conversation had to do with tax relief for Canadians. Frankly I was quite vague about it. I did not really understand what was meant by a \$100 reduction, a change in a threshold, or a percentage change. For me, it has been a steep learning curve as the minister has fashioned three budgets and a number of economic updates.

My own instincts have been to start where the impact would be greatest, namely among low and middle income Canadians and then work to upper income Canadians recognizing that when one gives tax relief to low income Canadians, it does filter up our progressive tax system. The system in some respects is relatively simple but to think back three years ago and realize that brackets have gone up substantially and that rates have been going in the other direction is really quite a significant accomplishment.

One has to earn \$8,000 of taxable income before one gets taxed. From \$8,000 to \$35,000 the rate has been reduced from 17% to 16%. From \$35,000 to \$60,000 the rate has gone down from 26% to 22%. From \$60,000 to \$100,000 the rate is at 26%. For over \$100,000 it is at 29%. Every one of those percentage points literally represents billions of dollars. Cumulatively the impact is \$100 billion. These are very significant changes. These are substantive tax reductions which frankly I never would have believed based upon my conversation three years ago with the Minister of Finance.

To be candid, I was not overly enthusiastic about the Canada child tax benefit. However, I have come around to the view that if we really want to benefit low income Canadians, we have to do it through a combination of measures. Otherwise if we simply cut taxes, it becomes terribly expensive to the treasury and it does not necessarily benefit the people whom we want to benefit the most. I was therefore more than pleased that effective July 1, 2001 the Canada child tax benefit will be raised with the maximum benefit for the first child going up to \$2,500.

In a similar vein, giving tax relief to Canadians who have disabilities or Canadians who are caregivers, I am pleased to see that the minister has raised the disability tax credit up to \$6,000 and the caregiver tax credit up to \$3,500.

There is an enduring myth in the House that somehow or another we should ignore Canadians with higher incomes or businesses, notwithstanding the fact that we know that businesses generate income and jobs. We somehow or another believe that they should be ignored and taxed to the max.

I am pleased that the Minister of Finance does not buy into that myth and that Bay Street, to coin a phrase, needs to be recognized for the contribution it does make to the Canadian economy and to the general well-being of Canadians. His commitment is to lower corporate tax rates from 28% down to 21%. He has already implemented a 1% cut and there is a commitment to cut 2% for the next three years legislatively. In my view this brings certainty to the tax structure which is something all businesses can appreciate.

Reducing the capital gains inclusion rate from 75% to 66% to 50% is an accomplishment that all entrepreneurs should welcome. That puts us below comparable American rates. Tax-free rollovers will be expanded and made available to more businesses. The size of an eligible investment will be increased from \$500,000 to \$2 million and the companies themselves from \$10 million to \$50 million. This should be of great assistance to those who find the tax structure somewhat restrictive in their entrepreneurial activities.

#### • (1305)

Finally, on the tax side of things, I want to congratulate the minister and the Prime Minister for the deindexation of the system. This was an item which was argued loud and long in caucus. One of the members who argued it loudest and longest was the hon. member for Durham. I congratulate him for his persistence.

The minister pointed out in his speech yesterday that government is more than simply balancing books. He, the Prime Minister and the Minister of Health stood firm in their resolve that the Canada Health Act be respected, that the provinces recognize that we are more than 10 little independent principalities, that this country has certain health care principles and that those principles are enshrined in the Canada Health Act.

The message is clear. We are not above using cash to make sure that all provinces give consistent quality health care across the country. Health care should not be dependent upon the size of one's wallet, or the various governments' budgets, or wacky right-wing philosophies. People should not have to have a wallet biopsy just to get treatment.

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Notwithstanding the pathetic whining by the province of Ontario, the Prime Minister saw fit to increase the cash component of the Canada health and social transfer by \$21.2 billion over five years. Members will recall that prior to the February budget, the province of Ontario was taking out ads insisting that the Government of Canada cut taxes, cut taxes, cut taxes. One minute after the delivery of the budget the province of Ontario shifted its focus on more money to the province of Ontario by way of CHST transfer with no strings attached.

The inconsistency and hypocrisy of the province of Ontario is obvious for anyone to observe. Even at the worst of times, the province of Ontario had its transfers reduced by something less than 2% of its overall budget which was restored immediately as soon as funds were available. That was done last year. Misinformation is a modus operandi for the Government of Ontario. A little history is in order here.

In 1997 the CHST was created. The agreement was that the Government of Canada would reduce its tax room and the provinces would take its place. As Ontario's economy has grown, so also has its tax revenues. Therefore, the tax component has grown which has more than made up for the modest reduction in cash. With this new money the cash component of CHST is increased by 35%.

The Government of Canada has hedged its bets though with the mere certainty that the provinces of Quebec, Ontario and Alberta will stretch the notions of affordability, universality and accessibility to the maximum.

I am returning to my constituency this weekend. I will have a pretty good story to tell. I can go back to my constituents and say we reduced taxes substantially, over \$100 billion, that we reduced debt substantially, \$28 billion, and that we restored Canada's health care system to the tune of \$21 billion.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Canadian Alliance): Madam Speaker, the public sees the so-called mini-budget not as an honest attempt to solve the economic problems of our country, but rather as a cynical attempt to buy the voters in the coming election.

Three things have happened over the last little while which I am going to ask my colleague about, bombs the government has let explode in its own lap. One is the access to information debacle in that the government is vigorously trying to hide information to which members of the public have every right of access. The second is the mini-budget. The third is the auditor general's report, which not only is a scathing attack on the government's failure to spend the public's money wisely, but also is an indication of its flagrant abuse of the public purse not only in HRDC, but also in aboriginal affairs and many other areas. Last is the government's

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frequent spending of the taxpayers' money all over the country in a vain and failing attempt to try to curry favour with the voters.

• (1310)

Spending is taking place to put back the money the government has taken out in health care, which was over \$22 billion. Incidentally, the money it will put in will only get us back to 1995 levels for health care and education in spite of the fact that when this comes into play we will be 10 years behind the eight ball.

How can my hon. colleague justify the government's spending an additional \$29 billion of the taxpayers' money beyond the money that has already been allocated for health care? How can he justify to his constituents that putting in \$22 billion as of the year 2006 which will get us back to 1995 levels is going to fix our health care woes?

**Mr. John McKay:** Madam Speaker, I do not know what figures the hon. member is reading. My recollection of the budget numbers is that spending absent debt has basically been flatlined for the past two or three years. The management by this government has resulted in the ability of the government to significantly reduce debt. I would have thought that the hon. member's party would have been more than supportive of the notion that the nation's debt should be reduced. I do not see how the hon. member thinks he can have it both ways.

I cannot quite get my head around how the hon. member and his party in particular can criticize the mini-budget. Reducing taxes with cuts, which I understand to be the most significant part of the hon. member's party platform, by accumulatively \$100 billion, is a pretty significant cut for Canadians across the board, both at the upper and lower ends. I cannot quite see how that can be criticized. I cannot quite see how putting back \$21 billion over five years into the health care system can be criticized as a terrible thing. Over that period of time \$21 billion is a significant sum of money.

We have also put money into technology research. We are in the bizarre situation of spending 9% or 10% of our gross domestic product on health care and having absolutely no idea how it is spent, where it is spent or by whom it is spent and of having to beat the provinces over the head just to have a reporting system. I support the position taken by the government on this for the simple reason that I would not want to continue to send money down a sinkhole until we knew exactly where the money was going and how it was to be spent. I would think I would have the support of the hon. member for the initiatives taken by the Government of Canada on that issue alone.

**Mr. Steve Mahoney (Mississauga West, Lib.):** Madam Speaker, I want to deal with a few specifics but I would rather talk a little about the philosophy of what the mini-budget is and what it is not.

First let me deal with what it is not. It is not a document that mirrors in any way whatsoever the philosophies or the attitudes of the Conservative government in the province of Ontario. I want to respond directly to my good friend the treasurer, the minister of finance for Ontario, Ernie Eves, who is quoted in the paper as saying "Give credit where credit is due. I think finance minister Martin is moving in the right direction. We have been preaching a lot of the stuff that Mr. Martin seems to have picked up on since 1995".

Let me be clear. One thing we did not do which Mr. Eves and the Ontario government did do, is we did not borrow money to give a tax cut back to the wealthiest people in the country. How does one give a tax cut while continuing to run a deficit? That is absolutely crass politics at its worst. While we appreciate the fact that my hon. friend in Ontario congratulates the minister and the government for bringing in a budget that he seems to like, we do not need any lessons on how to balance our books, how to reduce the tax load, or how to pay down the debt. In fact, this government has shown true leadership in all of those regards.

• (1315)

I have been interested to hear some of the responses. I am sure the members opposite were busy with all the spin doctors yesterday trying to figure out how in the world they were going to criticize this without looking like they want to take back things that the government is giving to Canadians.

This is not a socialist budget, I can assure members. It is absolutely not. I heard the leader of the NDP stand in her place, and in a scrum, say that the government has clearly decided that its agenda is based on tax reductions. That is absolutely correct.

What does it do in terms of helping families? Let us take a look at some of the examples. This is what is so puzzling when I hear the socialists stand up and say that the government did not do enough here, that it did not do enough there.

A two-earner family of four with a combined income of \$60,000 last year paid about \$5,700 in federal tax. Next year their taxes will fall by over \$1,000, a first year cut of 18%. A cut of \$1,000 for a family of four, a husband, a wife and two kids, means that they have \$1,000 more that they can use perhaps for their children's education, for a family vacation or to pay some bills they are behind on. Is that not all good social policy? It makes a lot of sense to me.

A single mother with one child earning \$25,000 a year received a net benefit of just \$1,400 last year. Next year she will receive an additional \$800, for a total benefit of \$2,200. Maybe the silk stocking socialists that inhabit the chairs in this place just do not think that \$800 is a lot of money. Let me tell them that to a single mom in Mississauga \$800 is a heck of a lot of money. She can use that money to benefit her children, to pay for something she needs, to help pay for their education or to help pay for their clothing. Of

A one-earner family with two children making \$40,000 last year paid about \$3,325 in federal tax. Next year they will pay about \$1,100 less, a reduction of 32%. This is a family in which one spouse goes to work and the other stays home as a caregiver, with two children. They are saving \$1,100. This is real money. This is real money back in the pockets of Canadians who need that money.

We absolutely have the financial house in order in Canada and we have turned around and given back that money to where it belongs, in the hands and the pockets of the hardworking taxpayers.

Let me say what it also is not. It is not a Bloc budget. Why? It actually strengthens Canada, which is clearly not on its agenda, not in its interests and not in its party platform. It would rather continue to drive wedges. Not only does this budget strengthen Canada, it benefits Quebecers, because a lot of the people I referred to, the two-earner family, the single mom, the one-earner family with two kids, live in Quebec. They are going to see that money coming back. Going into an election—let us admit that is what is going to happen—the people of Quebec are going to look at this and ask the Bloc why it is criticizing the fact that the Government of Canada is giving them back some of their money.

I can tell the House what this is also not. This is not a federal Conservative budget. We had a number of years of federal Conservative budgets under Brian Mulroney and, I might add, with the assistance of the current leader of the Conservative Party in this place who was a member of the Mulroney cabinet. With his assistance they managed to drive this country to the state where people were saying, in New York and other places around the world, that Canada was bordering on being a third world country, that Canada had run up a deficit, an overdraft, of \$42 billion with no idea of how to pay it off.

The Canadian people had an idea. While we stand here and take credit for it, the true credit for eliminating the deficit, and for this budget, belongs to the Canadian people.

#### • (1320)

It is not a conservative budget. It is far-reaching. It is visionary. It sends a message to all Canadians that says the government knows they have suffered through years of cutbacks and years of turmoil, and it is time because we do have a surplus, not because there is an election. If there is an election in November or in April, what is the difference? There is a fall mini-budget or economic update that is done every year.

Those members know this. For them to suggest that the Alliance should be able to put out its policy book and tell everybody that it will do some of the nonsensical stuff it is talking about and that we should just sit back and do nothing, excuse me? We have a

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constituency in the country, a very large constituency. We are the only party with representatives from sea to sea to sea, everywhere in the country.

This mini-budget is not an Alliance budget, I can tell hon. members that. The Alliance claims that we have somehow stolen its ideas. What nonsense. It wants to put in a flat tax. I will be making a statement later about what that really is, a three-hump camel, so I will not go into it at the moment.

Let me just tell the House that the Alliance wants to bring in a flat tax. Do hon. members know why? Because it is simple for that party to understand. It can ask Canadians how they would like to pay 17% or maybe 25%. It thinks that is simple to understand.

What is the result of that? Add up the Alliance numbers. If the Alliance was putting out a budget of this nature it would turn the federal government into nothing more than a head waiter for the provincial governments right across the country. It would put the situation in such a disastrous state that all we would need would be annual meetings of first ministers who would meet somewhere, who knows, maybe in Charlottetown, or likely in Edmonton.

#### An hon. member: Maybe Mississauga.

**Mr. Steve Mahoney:** Yes, Mississauga. They would get together, ask how much the pie is and then say "Here is your share based on per capita". They would eliminate regional development.

What that party has attempted to do to decimate the HRDC plans is a national disgrace, because the people it is hurting are the people who need the most help. We have heard members from that party say that they consider people in the maritimes lazy. We have heard them denigrate all the different groups in the country that we support and believe in.

We believe in economic regional development because it creates jobs. It creates pride. It creates self-respect for Canadians wherever they live in the country. Just because people happen to live in oil-rich Alberta does not give them the right to have a better standard of living than somebody who lives in Newfoundland or New Brunswick.

It is time to go to the Canadian people, put our two visions on the table and let the people decide.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Madam Speaker, I must say that natural gas emission rivals the massive Sable gas offshore project in my province of Nova Scotia.

Unfortunately, when I speak of gas, this mini-budget with its mini vision is really not going to offer the people very much other than more postdated promises until after the election. What we see happening is this approach by the government to come trick or

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treating to the Canadian public, just on the eve of an election, dangling these goodies out in front of the public only to pull them back unless it gets the vote.

My question for the hon. member is, with this so-called minibudget, where is the vision? Where is the long term plan to tackle the deficit and the debt? Where is the long term agenda to try to pay down this national debt that we have?

What does this do for students? What about students who are wrestling with huge debts coming out of university and with no hope of getting on their feet or even a kick-start into the economy? Right now their choices are either to go bankrupt or to go to the United States. That is unfortunate and that is the environment they are facing right now based on what the government has set up. What are we going to do for students? What is the long term plan to deal with the debt situation?

**Mr. Steve Mahoney:** Madam Speaker, it is really interesting to get a question about debt and deficit reduction from a member of the Conservative Party.

#### • (1325)

With all due respect, this member was not here. Other members of his family might have been but he was not here during that time. The reality is that we do not need any lessons from the federal Tories about how to eliminate debt.

What we have done with this budget is wiped out \$28 billion. It is gone, kaput, done.

Mr. Peter MacKay: Because of free trade. Don't forget that.

**Mr. Steve Mahoney:** The benefit of that amounts to \$1.7 billion in payments that no longer have to be made. That is \$1.7 billion that can be used to invest in students.

Mr. Peter MacKay: Talk about the GST.

**Mr. Steve Mahoney:** If the member would stop chirping, I will talk about students. Do not take my word for it. Take the media's word which talks about a \$3,200 tax credit going to students to help them with their rent and their textbooks. I do not think the member has even taken the time to read the document if he actually has to stand in this place and ask what this does for students.

This is one of the most progressive documents, which will assist students right across Canada with research and investment, and R and D in the universities, money for textbooks and tax credits to help students pay their rent. It is visionary both in terms of eliminating the debt, with \$28 billion gone now, and a commitment to reduce the debt every single year that we are in office. **Mr. Gordon Earle (Halifax West, NDP):** Mr. Speaker, it is quite pathetic to listen to the member opposite trying to justify that this vote buying budget is anything other than that, and trying to put it in the realm of a budget that deals with social ills.

Everyone knows that a budget is usually something that puts forth the goals and objectives of a government and should be addressing the major issues in our society.

A major issue that has been dominating the news for the last number of months, which has slowed down a bit because the fishing season has closed, is the dispute involving the aboriginal people in Burnt Church and St. Mary's Bay. That is just the tip of the iceberg, illustrating that there is a need to deal with the problems confronting aboriginal peoples across Canada. This budget does nothing whatsoever to deal with any of those problems.

A big part of the problem relates to the residential schools and the fact that the Anglican Church is now almost being forced into bankruptcy because the government has failed to take a leadership role in dealing with the residential school problem and has failed to bear its responsibility in that matter. The budget does not address that issue and it does not address many other issues.

I ask the hon. member, what in this mini-budget does anything at all to deal with the very important issue around aboriginal peoples on reserve and off reserve?

**Mr. Steve Mahoney:** Madam Speaker, clearly this is not a budget. It is an economic statement. It says so right on the document. It is something that the finance minister does each and every fall as he sees how the economy is performing.

We committed during budget 2000 that we would go faster if finances allowed us to do so. This is the appropriate time.

I am sorry if the hon. member's party is not ready with its platform. However, very clearly the government has an obligation to say to Canadians "Here is where we believe we should be going with your economic future and we want to put exactly what we are prepared to do on the table". That has been done with this document and it clearly shows the vision for the country.

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Madam Speaker, I am pleased to follow that member of the Mike Harris cabinet across the way talking about his very conservative budget. I see he is putting his earphone on. I said that I am very pleased to follow that fan of Mike Harris who spoke on the budget a few minutes ago.

The ghosts of Liberals past must be rolling over in their graves when they think of the sharp turn to the political right, this very conservative budget, this mini-budget we had delivered in the House yesterday by the Minister of Finance. I have seen many budgets over the years but this is the most conservative, right wing budget I have seen in the last 25 years in the House of Commons. It is more conservative than Brian Mulroney, more conservative than the former Prime Minister who is now the leader of the Conservative Party.

This is a millionaire's budget. It is a Bay Street budget, with \$100 billion in tax cuts skewed to the wealthy and the rich. If someone is making \$300,000 or \$400,000 a year, if someone is a millionaire or a golf partner and buddy of the Prime Minister making \$400,000 or \$500,000 a year, he will get anywhere from \$20,000 to \$50,000 in tax cuts depending on capital gains. A single person making \$30,000 in Pembroke receives a tax cut of only \$521 a year. Compare this to the millionaires who are going to receive \$40,000 to \$80,000 a year on tax breaks. That is a sharp turn to the right by the Liberal Party which has been influenced by the Canadian Alliance and by the politics of Mike Harris. The ghosts of Liberals past, leaders like Lester Pearson, Pierre Trudeau and Allan McEachern must be pretty disgusted with the government they see across the way.

#### • (1330)

Let us look at the facts. There are \$100 billion dollars in tax cuts with only about \$21 billion going into health care, social transfers, welfare and education. That brings us up to 1994 levels only. There are also at least \$31 billion in terms of paying down the national debt.

The very size of government programs is dropping faster now than at any time in the history of Canada. The government is taking money away from social programs. When it took office at the end of Brian Mulroney's term, government programs amounted to 17% of the GDP. They now amount to about 13% of the GDP. The projections in the mini-budget, by the end of the next term if it is a majority government that lasts four or five years, will be under 11% of the GDP.

The government is taking money out of health care and education. It is providing less money for the environment. It is doing nothing about our farm crisis. This is a government leading a country, one of the few countries in the world without a national highways program, that has decided not to put money into highways. This is a government that is devising a tax system that is not as equitable as it is giving big breaks to wealthy people. This goes in the wrong direction.

If we look at results of polls and surveys we find that most people in Canada want more money put into health care. If we had a poll and asked people what to do with a surplus, whether it should be spent on massive tax cuts that favour wealthy people or put into health care and education, about 75% of the people would say that we should put more money into health care, education and the environment. That is the direction in which the Canadian people want to go. Those are the values Canadians want pursued. The

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Liberal Party, like the Canadian Alliance, wants to give more tax cuts to wealthy people.

Why is this done? The Liberal Party has been drafting a very cagey election program and strategy. What we saw yesterday was a move to the political right to capture votes from the Alliance and the Conservative Party in the 905 belt around Toronto, the wealthy areas around Toronto, the Mike Harris belt around Toronto. The big issue there is tax cuts so the Liberals are going to cater to that and they have taken the Canadian Alliance program. The Liberals left the Leader of the Opposition without a plank.

We are going to see the election announced on Sunday. The Liberals will come out with another red book and then they will shuffle to the left. They will talk about investing in education, in the environment, in people's programs and things of that sort. That is what the Liberal Party is doing with this particular economic statement before the House today. This is like the steak and the sizzle. This mini statement is giving a lot of steak to the wealthy and the privileged and only the sizzle to the poor and ordinary citizens.

There are many programs that should have been enhanced. Health care is the very best example of that. In 1995 we had the biggest cutback in our history in health funding than we have ever seen. That came from a party that at one time initiated a national health care system where the federal government paid 50% of health care. Before some of the money is reinstated, through the agreement of the first ministers' about a month ago, the cash funding for health care had fallen from 50% to 13 cents or 14 cents on the dollar. Even with the \$21 billion in social transfers, the cash into health care only goes up to 1994 levels.

#### • (1335)

Where are the priorities? The Canadian people fought to get rid of the deficit. It is the Canadian people, through their hard work and their energy, who have created a surplus in this country. I argue that the majority of that surplus should be spent on the social deficit that was created by the cutbacks of the Liberal government from 1995 on.

I am sure that if the minister of financial institutions across the way had his way he would agree with me that more money should be spent in the social pocket rather than on wealthy tax cuts for his big powerful friends on Bay Street. However, that is the way the government has gone and that is not the right way to go. That is not the vision of a new Canada. That is not a vision of equality, a vision of justice or a vision of sharing. Those are the values that the Canadian people stand for and the Canadian people want.

If we look through the mini statement from yesterday there are many things not mentioned at all. I think of my own province of Saskatchewan. I have already talked about health care. Health care was started in Saskatchewan by the CCF, by Tommy Douglas and

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by James Shaver Woodsworth many, many years ago. After fighting against the Liberals year and year out, health care became a reality.

The Liberal Party promised health care in 1919, the year that the minister for financial institutions was born. It was promised in 1919 but it did not become a reality until the mid-1960s, 40-odd years after promising it to the Canadian people. It is only there because it was pushed and prodded by the CCF and the NDP who started health care in Saskatchewan back in 1961.

In 1961 when health care became a very volatile issue in our province, when there were organizations led by the doctors and others to stop medicare—they called it socialized medicine in those days—the Leader of the Opposition was Liberal Ross Thatcher. He was one of the leaders in the fight against health care in this country. He went into the legislative assembly with a photo op, and he kicked the door of the legislative assembly in opposition to health care in our province.

Health care was so popular with the people that public opinion was mobilized. Through the mobilization of public opinion it was forced on the Liberal government in 1965 or 1966 and the government of Lester Pearson brought it in across the country. The Liberal government had been forced by the CCF and the NDP, which shows the influence of a social democratic party as setting a popular agenda of equality for the Canadian people.

That whole agenda has now been highjacked because of a paranoiac fear of the Canadian Alliance. What the Liberals are doing is adopting the Alliance policy and moving sharply to the political right through \$100 billion tax cut. Even the Minister of Finance himself a while back was ridiculing the then Reform Party for talking about a \$50 billion or \$60 billion cut in taxes. What does he do? He betters that with some \$100 billion at the expense of the ordinary Canadian people and the programs that make this country so definitely unique from the United States of America.

We have the CA and the Liberal Party catering to the wealthy and to the privileged. We saw that last night at a dinner in Toronto where the corporate elite gathered. Tables were sold for this dinner. I watched the television last night to see how many ordinary grassroots Reformers there were from Wymark, Moose Jaw, or Kindersley, Saskatchewan or Brandon, Manitoba. I watched to see how many faces I would recognize of the ordinary people from Yorkton. Does anyone know how many I saw? I did not see any. I wondered why. Does anyone know why? It was because the cost of a table was \$25,000. Some grassroots party, catering to the business arenas on Bay Street, to the big banks and the big financial institutions.

The old Reform Party is dead and gone, the so-called grassroots party that protested against this kind of elite gathering. We now have a new Bay Street party in the Reform Party; \$25,000 a table.

They were sipping champagne. They were pigging out on caviar. The party of the so-called grassroots people that rebelled against Brian Mulroney, rebelled against Bay Street, rebelled against this kind of imperial power, rebelled against these back room deals, has changed its skin. Now it represents the party of the wealthy, the rich and the privileged. That is the new Canadian Alliance, the old Reform Party.

• (1340)

What does the Liberal Party do? It gets scared. It is afraid. It is afraid of this new party that is rising so it moves sharply to the right. The member from British Columbia over there is crying in his seat. He is afraid as he weeps in the House of Commons.

What is in this budget? What is in this budget, for example, for the farmers of western Canada? I can see the headline "Farmers: An Endangered Species Survey". A report from Statistics Canada says that there are 22,100 fewer farmers in the prairies this fall than last fall. The reaction it said was jaw dropping from economists across the prairies. Yet we had a surplus of \$100 billion over five years to work with. What is there for the prairie farmer? There are 40,000 fewer farm workers in the prairies.

Farmers came to Ottawa last year asking for some help. The Europeans massively support their farmers. The Americans massively support their farmers. The government does diddly-squat. There is nothing in the budget at all.

We had a big deficit. The Canadian people won the deficit battle and now there is a big surplus. Where does the surplus go? It goes to \$100 billion on tax cuts. Where does the surplus go? It goes toward cutting capital gains for speculators and wealthy bankers. The surtax on the rich is gone. The tax bracket was dropped in terms of what the rich pay in taxes in this country. All kinds of tax breaks have been given to the banks and we have 22,000 fewer farmers on the prairies.

I am surprised at the government across the way, but we have the Canadian Alliance going one step further. It does not like any support for farmers. The Alliance leader was in Regina back in August. Does anyone know what he said about the Canadian Wheat Board? He said that it should be voluntary. He said that if the Canadian Wheat Board was not a single best seller then it would eventually be eliminated and eliminated very quickly. That is exactly what the Canadian Alliance wants to do.

Then we had the member from Interlake who was saying a few days ago that the big drop in farmers is really a structural readjustment. That is the sensitivity we have from the official opposition. What does the government do? It makes no response. There is nothing there to help our farmers in a time of need. These are things that were missing in the mini statement made by the Minister of Finance in the House of Commons yesterday.

I look again across my riding and across my province. I see a highway system that is collapsing because the government across the way has allowed the rail lines to be abandoned forcing farmers to take their grain to market in large trucks. The highways are being destroyed and yet there is no money for a national highways program to help rebuild the infrastructure of rural Canada and rural Saskatchewan.

Where is that money? That money has gone to Bay Street and to the wealthy. It has gone to pay down the national debt very rapidly and to pay off the bond holders on Bay Street. Where is the money for the ordinary people in Cupar, Dysart, Wynyard, Elfros, Raymore, Qu'Appelle and all those other places across Saskatchewan to make sure the highways are rebuilt?

It is a question of choices and a question of priorities. The Liberals made their choice and their choice does not synchronize at all with the preference of the Canadian people, which is to reinvest in people's programs and in a new deal for people.

• (1345)

**The Acting Speaker (Ms. Thibeault):** It being 1.45 p.m., pursuant to order made earlier this day, the House will now proceed to consideration of Bill C-45 in committee of the whole.

#### \* \* \*

#### CANADA HEALTH CARE, EARLY CHILDHOOD DEVELOPMENT AND OTHER SOCIAL SERVICES FUNDING ACT

House in committee on Bill C-45, an act respecting the provision of increased funding for health care services, medical equipment, health information and communications technologies, early childhood development and other social services and to amend the Federal-Provincial Fiscal Arrangements Act, Ms. Thibeault in the chair.

# [Translation]

**The Assistant Deputy Chairman:** Order, please. House in committee of the whole on Bill C-45. Shall clause 2 carry?

(On clause 2)

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Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Madam Chairman, with the government's support, I move:

That Bill C-45 be amended by replacing line 14 on page 2 with the following:

"the trust, taking into account the population of that province."

This is what is in the agreement signed by the first ministers in Ottawa.

Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.): Madam Chairman, we accept this amendment.

(Amendment agreed to)

[English]

**Mr. Greg Thompson:** Madam Chairman, seeing that we are in committee of the whole and given the fact there is a huge gaping hole in this legislation, I would propose the following amendment, that clause 6 on page 3 be amended—

**The Assistant Deputy Chairman:** I must advise the hon. member that we are not on clause 6 right now. We are still on clause 2.

(Clause 2, as amended, agreed to)

(On clause 3)

[Translation]

The Assistant Deputy Chairman: Shall clause 3 carry?

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Madam Chairman, again after consulting government members, I move:

That Bill C-45 be amended by replacing lines 20 to 24 on page 2 with the following:

"ter of Health, for the purpose of defining standards governing shared data to ensure the compatibility of health information networks."

Again, this is what is in the agreement signed by the first ministers, here in Ottawa.

• (1350)

(Amendment agreed to)

(Clause 3, as amended, agreed to)

(Clauses 4 and 5 agreed to)

[English]

(On clause 6)

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**Mr. Greg Thompson (New Brunswick Southwest, PC):** Madam Chairman, given the fact that we are in committee of the whole, I am attempting to plug a big hole in this legislation. I propose the following amendment:

That clause 6 on page 3 be amended at line 18 by striking out "for the fiscal year beginning on April 1, 2001", and substituting "therefore on the day this bill receives royal assent".

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Madam Chairman, I suppose this is interesting, however it is a charge against the public treasury and it does not have a royal recommendation, as Your Honour will know. It advances a contribution from subsequent years to a present calendar year, present expenditure of the government and a charge against this year's treasury.

**Right Hon. Joe Clark (Kings—Hants, PC):** Madam Chairman, on that point, the House and certainly the country knows that the agreement in principle that was met by the first ministers was an agreement that would restore all of the funding back to 1993 levels. This bill does not do that and so it behooves the House to find a way in which the words of the first ministers can be kept and in which we can avoid cheating provinces and territories out of \$2 billion to \$3 billion that they would otherwise receive as a result of the agreement in principle to go to full restoration of the 1993 levels.

The minister has found a technical point. There is no doubt that it would be possible for the government, if it chose, to find some means to rearrange existing expenditures, to front-end load the contribution by the Government of Canada so the word of the Prime Minister of Canada could be kept and so all of the funds that should go back to health and social transfers in the country will go back now rather than two years from now.

**The Assistant Deputy Chairman:** The question before the Chair is very clear. It has to do with infringement on a royal recommendation and therefore I rule that it is not receivable.

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Madam Chairman, I would also like to propose an amendment that Bill C-45 in clause 6 be amended by replacing lines 12 to 15 on page 3 with the following: "a cash contribution of \$20.4 billion for the fiscal year beginning on April 1, 2004, and \$21 billion for the fiscal year beginning on April 1, 2005"; that lines 23 to 26 at page 3 be deleted; and that line 20 at page 3 in the english version be replaced with the following: "ning on April 1, 2002, and".

#### • (1355)

Perhaps I could speak to that very briefly. It should be noted there are many amendments that we would have liked to have proposed in the Chamber today that I am sure would have been ruled out of order and required a royal recommendation. This proposal does not add any new money to the bill, much as we would have liked to do that. It simply ensures that at the end of the five year period around which this first ministers' deal has been struck, the base would have moved from \$15.5 billion to \$21 billion. I move that constructive suggestion to the bill.

Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.): Madam Chairman, as much as I appreciate the intentions of the hon. member I would have to say that, first, the bill respects to the letter the agreement reached among the 14 first ministers and, second, as the Prime Minister and the Minister of Finance have indicated, if in future years budgetary conditions permit, issues about increasing the amounts can always be considered at that time.

**Right Hon. Joe Clark:** Madam Chairman, I was very interested that the amendment moved by the New Democratic Party was one that was designed to be within the limits with respect to the authority of parliament over expenditure. I would like to take advantage of the presence on the floor of officials to ask them whether in fact the amendment that was proposed is one that meets the requirements with regard to the role of parliament and spending. If it does, obviously there would be a desire on all parts of the House to support an amendment that would ensure that more money went into the system more quickly.

I call upon the officials here for clarification as to whether this is a receivable amendment.

**Hon. Don Boudria:** Madam Chairman, the right hon. member knows parliamentary rules better than I and he knows perfectly well that officials do not speak in the House of Commons; members of parliament do.

**Right Hon. Joe Clark:** Madam Chairman, I appreciate the correction by my hon. friend.

Would my hon. friend consent to speak to his officials and to convey through his voice their responses to the questions that I have raised?

**Hon. Don Boudria:** Madam Chairman, the right hon. member knows the rules as well as we all do and my hon. colleague, the secretary of state, has indicated the bill totally respects the agreement made with the provinces so I think it is the end of the discussion to that effect.

The right hon. member does raise, as he usually does, interesting issues nonetheless.

**Right Hon. Joe Clark:** Madam Chairman, the question is not whether the government believes that the provision reflects the agreement among the first ministers. The question is whether the amendment presented by the New Democratic Party is one that is consistent with the rules of parliament. It is on that question that I would like the hon. minister to consult the officials who are here on the floor of the House of Commons so that—

Hon. Don Boudria: It is in order.

**Right Hon. Joe Clark:** I am advised from his seat, by the minister, that this amendment is in order. That means it would—

**The Assistant Deputy Chairman:** I am afraid I have to interrupt since it is 1.59 p.m.

(Bill reported, concurred in, read the third time and passed)

• (1400)

Right Hon. Joe Clark: Mr. Speaker, I rise on a point of order.

**The Speaker:** It is two o'clock. We would usually proceed to statements by members and hear the point of order after question period. However, because this carried on, I will give the hon. member one minute, which means 60 seconds, to make his point.

**Right Hon. Joe Clark:** An amendment was introduced at the plenary stage that was deemed to be in order. The Chair did not have the opportunity to call for a vote on that amendment. The report was made before a vote had been taken.

Consequently the process was not completed, and through no ill will. The House would certainly want to have the committee of the whole, in either committee of the whole forum or forum of the whole House, to be able to vote upon a motion properly put, accepted as being within the rules of parliament, and overlooked simply because of the fluctuation in time.

**The Speaker:** I am handed a note that says there was agreement prior to this time that the bill shall be reported, concurred in at the report stage, and read the third time no later than 1.59 p.m. I find that was carried out. That is what we are going to do.

# **STATEMENTS BY MEMBERS**

[Translation]

#### 2000 MANIFESTO FOR PEACE

**Mr. Yvon Charbonneau (Anjou—Rivière-des-Prairies, Lib.):** Mr. Speaker, last month, in the presence of the Speaker of the House of Commons and the Speaker of the Senate, I was privileged to hand over to the Director-General of UNESCO, His Excellency, Mr. Matsuura, the 2000 Manifesto Pledge, signed by nearly 300 Canadian parliamentarians from both Houses.

This initiative was carried out under the auspices of the Friendship Group of Parliamentarians for UNESCO and under the umbrella of the International Year for the Culture of Peace decreed by the UN.

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May I remind you that the Manifesto 2000 for a culture of peace and non-violence is a commitment to respect the life and dignity of every human being, to practice active non-violence, to put an end to exclusion, to defend freedom and cultural diversity, to promote responsible consumer behaviour and sustainable development and to contribute to the democratic development of our communities with full participation by women.

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[English]

### FESTIVAL OF DIWALI

**Mr. Deepak Obhrai (Calgary East, Canadian Alliance):** Mr. Speaker, on October 26 Hindus and Sikhs in Canada will light their homes to celebrate the festival of Diwali. They will also pray for peace, harmony and prosperity for all humanity.

Diwali celebrates the triumph of knowledge and light over ignorance and darkness. Canada's Hindus and Sikhs feel proud to share this celebration with fellow citizens of all religious backgrounds.

• (1405)

For my part I have had the honour in the past to celebrate Diwali with my colleagues on Parliament Hill. Due to an imminent election Diwali celebrations in Ottawa will be postponed. However I invite my colleagues to celebrate Diwali with all their constituents.

On behalf of the Leader of the Opposition and my colleagues in the House of Commons, I wish Canadians of Indian descent a happy Diwali and a prosperous New Year.

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[Translation]

### THE LATE ROBERT BEALE

**Mr. Clifford Lincoln (Lac-Saint-Louis, Lib.):** Mr. Speaker, it was with great sorrow that I learned yesterday of the passing of a friend, Robert Beale, a Canadian of unparalleled dynamism and generosity.

Thirty years ago, with the support of Jean Béliveau and others, Bob started sports cultural exchanges programs, under which hockey tournaments brought young people from all corners of Canada and their parents together to participate in the tournaments and created long-lasting bonds among them.

#### [English]

I have known few Canadians and few friends as big hearted as Bob Beale and none as committed to helping others. His programs of sports cultural exchanges have brought together over the last 30 years many thousands of young Canadians and their parents from all regions of the country. The programs have created lasting bonds. COMMONS DEBATES

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Bob was a tireless and selfless individual deeply convinced, in his own words, that "adults through the history of many nations have learned the ways to overcome racism, prejudice and discrimination through the eyes and hearts of children".

With great sorrow I mourn the passing of this special Canadian and extend to his wife, Alice, and his family all my friendship and sympathy.

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#### MEMBER FOR EDMONTON SOUTHWEST

Mr. Ian McClelland (Edmonton Southwest, Canadian Alliance): Mr. Speaker, I appreciate being able to say a few words.

If what is likely to take place does take place, this will probably be the last opportunity I have to recognize and thank all the members here. I specifically want to thank all the francophones who have borne up so well under my French these last couple of years.

I also want to thank all the House officers, the staff on the Hill, my colleagues in the Alliance and colleagues across the aisle, north and south. Although we have been adversaries we have always been friends. I will take this place with me for the rest of my life and carry it fondly in my heart.

I especially want to thank those I love and who love me for their support over the years, my constituency association and particularly the voters of Edmonton Southwest who have entrusted me with this wonderful privilege over these last seven years.

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#### **CO-OPERATIVES**

**Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.):** Mr. Speaker, I wish to recognize both National Co-op Week in Canada and International Credit Union Day and pay tribute to these unique and democratic organizations that improve daily the quality of life for Canadians.

There is no question that co-operatives lead by example. They provide a way to successfully meet the social and economic needs of Canadians. They also are an effective tool to help the government address priority issues.

As the world moves toward a global economy, co-operatives will be asked to play a greater role in our economy and society. By investing in Canadian communities, which is the theme of this year's co-op week, co-operatives can also play a new role, one that transcends social and economic objectives. They can be partners with government to ensure that citizens, no matter where they live, receive the benefits of Canadian prosperity.

I offer my congratulations and recognize Canadian International Credit Union Day and National Co-op Week.

# SPIRIT OF COMMUNITY AWARDS

Mr. Lou Sekora (Port Moody—Coquitlam—Port Coquitlam, Lib.): Mr. Speaker, it is my pleasure to recognize the fourth annual Spirit of Community Awards celebrated in my riding last week. Eleven of the top citizens in Port Moody—Coquitlam—Port Coquitlam were honoured for their community action and volunteer work. This event was presented by the Society for Community Development.

David Driscoll, a well-known former mayor of Port Moody, accepted the Lifetime of Leadership Award.

• (1410)

I congratulate all the recipients of the Spirit of Community Awards for their hard work, dedication and compassion for the community. It is greatly appreciated.

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#### **CO-OPERATIVES**

**Mr. Charlie Penson (Peace River, Canadian Alliance):** Mr. Speaker, this week has been designated National Co-op Week and today is International Credit Union Day. Both are meant to raise awareness of the special role co-ops and credit unions play in our communities.

Co-operatives and credit unions have helped to shape our history by providing social and economic benefits to many Canadians over the years. I am confident they will continue to provide those benefits to individuals, families and businesses in the future.

I ask Canadians to join me today in recognizing the significant contributions co-ops have made and continue to make in our society. I want them to take part in the many celebrations planned throughout the country from now until October 21 in celebration of this important occasion.

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[Translation]

# ECONOMIC POLICY

**Mr. Paul Mercier (Terrebonne—Blainville, BQ):** Mr. Speaker, once upon a time there was a highway robber who lurked in the woods to relieve passersby of their gold. He accumulated ill-gotten gains of 1,000 gold coins in this way.

One day, he decided to give back 500 of these gold coins to his victims. Foolish fellow that he was, he thought he could buy back their friendship by doing so.

The robber's cronies were greatly impressed by this magnanimous gesture. They were indignant that the victims showed no gratitude and shouted at them "You could at least say thank you". No connection with this little fable, of course, but yesterday our Minister of Finance played Santa, yet he neglected to tell us that this money he is redistributing so magnanimously came from our own pockets, the pockets of the unemployed, the workers, the employers, the pensioners.

I hope, for our minister's sake, that he is not naïve enough to expect a thank-you from the voters, who will cast their votes in favour of the Liberals. Despite what he seems to think, people are not that dumb.

That was my last statement in the House, Mr. Speaker.

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[English]

#### **BRAIN TUMOUR AWARENESS MONTH**

Ms. Eleni Bakopanos (Ahuntsic, Lib.): Mr. Speaker, the month of October has been designated Brain Tumour Awareness Month in Canada.

Each year approximately 10,000 Canadians of all ages are diagnosed with brain tumours. More than 100 different types of brain tumours have been identified. Brain tumours are the second leading cause of cancer death in children under the age of 20 and the third leading cause of cancer death in young adults between the ages of 20 and 39.

#### [Translation]

The mission of the Brain Tumour Foundation of Canada is to collect funds for research, to provide support services to people with brain tumours and their families, and to provide information to the public.

#### [English]

I would like to quote for members the words written by a young woman, Krista, age 19, who understands better than any of us the devastation of cancer:

I look into the sky and what do I see? A castle, a rainbow, and dreams for me, An end to this battle which I must fight, To rid my feelings of depression and fright.

An end to cancer is not far away, It will be here soon. . .Someday.

Let us hope and pray that the someday-

The Speaker: The hon. member for Timiskaming—Cochrane.

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#### MINING

**Mr. Benoît Serré (Timiskaming—Cochrane, Lib.):** Mr. Speaker, I wish to express my congratulations to the finance minister for his outstanding economic statement. The mining industry is thankful for the introduction of a federal tax credit for

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flow through share investors. It will stimulate the upfront financing of junior mining exploration projects all over northern Ontario and Canada.

Exploration spending will result in the discovery of new mines, which in turn will create jobs and result in billions of dollars in new investment and export revenues. The constituents of Timiskaming—Cochrane, the mining industry and I all believe natural resources will continue to be the building blocks of our economy in the 21st century. I thank the finance minister for his support.

#### \* \* \*

#### MEMBER FOR VANCOUVER QUADRA

**Mr. Ted McWhinney (Vancouver Quadra, Lib.):** Mr. Speaker, I will not be a candidate for a third parliamentary mandate in the forthcoming general election. When the Prime Minister invited me to become a candidate in 1992, I said I would limit myself to two terms at most. I see no reason to depart from that today.

• (1415)

In leaving the House, I am not entering on early retirement. I am resuming my work in other national and international arenas like the Institut de Droit International, of which I am the current president.

Thank you to the electors of Vancouver Quadra for their kind support and warm encouragement through two successive terms.

I want to thank MPs of all political parties for their friendship, co-operation and goodwill.

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#### HOME SUPPORT WORKERS WEEK

**Mr. Gordon Earle (Halifax West, NDP):** Mr. Speaker, while the Canadian Alliance is ignoring the health concerns of Canadians while wining and dining and wooing votes from their rich corporate friends, and while the Liberal government did nothing in its economic statement to ensure a comprehensive health care system, the people in Nova Scotia recognize the need for an integrated and complete health care system.

Nova Scotia is celebrating Home Support Workers Week. Home support workers help thousands of Nova Scotians get the quality care services they need in the comfort of their own home and close to family and friends. Home support workers are an essential part of the fabric of health care in Canada.

As we look to reshape health care in Canada and to hopefully begin to undo the damage wrought by years of health care cuts administered by Liberal and Conservative governments, we need to ensure that home care is properly funded and that workers are properly paid and work in decent conditions. The financial support for those needing home care must be made available.

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Home care workers offer experienced care, support, compassion and dignity to many people in our community. Thank you to all home care support workers for their ongoing efforts.

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#### NATIONAL CO-OP WEEK

**Mr. Rick Borotsik (Brandon—Souris, PC):** Mr. Speaker, I rise today to pay tribute to National Co-op Week being held this week between October 15 and 21 and to recognize the important economic and social role co-operatives and credit unions play in many communities in Canada. Credit Union Day is being celebrated today, October 19. The theme for this year's celebration is "Co-operatives and credit unions—investing in Canadian Communities".

I would particularly like to pay tribute to co-operatives in Manitoba such as Credit Union Central of Manitoba, Federal Co-Operatives Ltd. and Agricore.

Co-operatives play a major role in the Canadian economy, with over 150,000 people working in the industry. Co-ops and credit unions are an integral part of our economy, accounting for over \$167 billion in assets.

Whether it is in agriculture, financial services, insurance or housing, co-operatives are growing, adapting and changing to help shape a better world for all of us.

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### SPEAKER OF THE HOUSE

**The Speaker:** I realize that today there have been a few members I have not been able to recognize in standing orders. There are a few reasons for this.

#### [Translation]

I too wanted to take a minute. There is no single word in French to say goodbye. In French, we use expressions such as "À la prochaine, au revoir, adieu". Today, it is my turn.

#### [English]

I will take just a few moments to say goodbye to you. I do not know if there will be an election but if there is, most of you will be standing again to come back to this beautiful place, this institution, the House of Commons of Canada.

If I may quote Laurier, he said that this was his home for 40 years. This was my home for 22. It is a home where I have enjoyed working with you and your predecessors. In 22 years it has been an adventure, surely with ups and downs, but for every down day that I have had there have been 100 up days.

You have paid me one of the greatest honours that any member of parliament could receive and that was to choose me on two different occasions to be your Speaker. It is an honour which very few of us could ever aspire to and one which I consider a great gift and a great privilege.

• (1420)

Over the last few days I have thought about how I would say the words in this place that I have spoken a number of times, like you, in my maiden speech and like you, on votes that were particularly interesting and important for me.

#### [Translation]

During the time I presided over the debates of the House of Commons, I sometimes had to make difficult decisions. I made them. It was my duty to do so.

#### [English]

I thank the people who voted for me over the years and sent me here six times. Once they decided they loved me so much that I should stay with them in the riding for four years. For those other six times I thought they were the most intelligent voters in Canada. Even when they kept me home, I thought, well, there was a reason for that too.

I wish you well, my colleagues, you who have served and you who will serve in the years ahead in this House of Commons.

May I gently remind you of who you are, of who we are. We are the representatives of the people of Canada. When they send us here, they expect from us the best that we have to give. Sometimes in the heat of battle we use words that in hindsight we would have preferred to leave unsaid, but we get through that one way or another.

I am told that there was a scratch on a stone after the battle of Thermopylae, a little saying. If I had anything to ask you to say about me, if indeed you ever do say anything, perhaps you would consider these words. My colleagues, go tell the Canadians that their Speaker, their servant, is leaving his post. His watch is over.

I am ready to pass all of this on, as it should be, from one Speaker to the next.

I hope that you will always cherish this place, as I have. No greater honour could I have received. I thank you for this honour you have given to me.

Some hon. members: Hear, hear.

#### [Translation]

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I think all members share the sadness I feel because you are about to leave your position as Speaker of the House.

You were among the first elected speakers of the House. You are probably the longest standing elected speaker. You have established a very important tradition.

#### [English]

As you know, Mr. Speaker, we have been colleagues in the House for all these years and I can tell you that you have been a wonderful colleague for me and for all those here. You have always been a very committed member of the House of Commons. You have represented your constituents with great honour and determination.

#### • (1425)

When you came to this job you honoured the House of Commons and the job. It was not easy. A few times I found that you were cutting me off a bit quickly, because the Leader of the Opposition can prepare his question but I cannot prepare my answer.

The spirit that prevails today, the fact that the Leader of the Opposition and myself and all the members of the House can smile and talk about recollections of you in the Chair and be in such a good mood, is a reflection of the quality of the job you have done.

As leader of your party, because all these times you were elected under the Liberal flag—there was one year that it was not flying properly and a lot of us had to do something for a few years until they decided to take us back here—I just want, on behalf of everyone, to say thank you for a job well done and to wish you the best of luck in future endeavours.

You will always have the affection of all the members of the House and you will always have the reputation of a man who has served his country very well, and particularly the House of Commons.

Good luck, Mr. Speaker.

Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance): Mr. Speaker, on one of the rare times when the Prime Minister and I will be in agreement, I would also like to on behalf of my colleagues to extend our gratitude and respect to you, Sir, for the job you have done.

I know how difficult it has been at times for you, and we have seen you rule in a very even-handed way. We have sensed that when you have ruled, as the Prime Minister said, against unruliness on that side, and occasionally on this side, that there is that moment of glare from your own colleagues that you have to live with. You have done that with honour and distinction and with even-handedness. We appreciate that and respect that.

It is not an easy job, as Canadians who watch question period must entertain, somewhat like herding cats at times, which is not a negative, pejorative statements on cats. It must be somewhat like that, yet in the short time I have been here the even-handed approach you have taken has been very well noticed, remarked on and respected by us.

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Thank you for, as the Prime Minister said, the good mood that prevails now, for a very few moments. We know how quickly that dissipates.

Sir, you have served well. You have served with distinction. We are honoured to have served with you. Thank you on behalf of the people of Canada.

#### [Translation]

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, I too wish to express our gratitude. You will leave Bloc Quebecois members with fond memories.

Like all members in this House, we have on occasion disagreed with your decisions, but it was your duty to make these rulings and you carry out that duty well, often under trying circumstances, particularly when we first arrived here in 1993. It was the first time that there were so many sovereignists, so many in fact that we formed the official opposition. In that context, you treated us with the same respect as other members.

I have fond memories of the numerous negotiations that we had in the Board of Internal Economy, which you chair, and of how you always made yourself available to members. We could always meet with you when things were not quite clear, and also to discuss in a democratic fashion issues on which we disagreed, in an attempt to find solutions and to find a way to agree on how to disagree.

You have performed this role with honour and I thank you for that.

#### [English]

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, I think we know that from time to time most of us have tried to sneak a point of order past the Speaker in order to have a word on something we felt strongly about. On behalf of my colleagues I want to say that we appreciate your allowing us some latitude in speaking to this issue.

• (1430)

It has been well understood and much appreciated by all the members of the House of Commons how much you love this place and what it means to you to preside over parliament. No matter what our differences, it has been very much your view and the tone that you have set for debate in the Chamber that we are here as the representatives of Canadians to try to make Canada a better place.

#### [Translation]

I wish to thank you on behalf of my colleagues. During this mandate, 15 of us were newcomers and we had a lot to learn about the rules and traditions. You were always helpful.

#### [English]

I am sure I also speak on behalf of the five veteran members of the NDP caucus. We appreciate the fact that you have always been fair. From time to time, even though you have a very good ear and a

#### **Oral Questions**

very quick eye, you have overlooked the odd transgression, muttering under our breath words that might not be entirely in order.

On behalf of the New Democratic Party I extend our warmest good wishes and our heartfelt thanks for your generosity of spirit and for the role model you have been in terms of expressing the love for the Canada we are all here to work together to improve.

#### [Translation]

Good luck, and thank you very much.

[English]

**Right Hon. Joe Clark (Kings—Hants, PC):** Mr. Speaker, I wonder if, as one of the newer members of the House, I might be permitted to extend my great appreciation to you for your service to the country and more particularly to the Chamber in a way that has enhanced the reputation of Canada.

While I have only served occasionally under your guidance as Speaker, I fondly recall the years in which we served together in the House before you took that post. We tend to have a slightly different evaluation of the election in which your constituents kept you home. You will not take this at all personally, but Sir, I rather wish there had been more of those.

All of us in the House know that the office of Speaker is not an easy one. This is a House that can often edge to the borders of being out of control. It requires not only firmness in the chair but the kind of geniality in the chair you have demonstrated and the kind of respect that everyone in the House knows that you hold for parliament.

I know, Sir, that you are a hockey fan. You have seen a little bit of high sticking here. You have called a few misconducts or certainly a few offsides. You have maintained the capacity to maintain the order and respect of the House and the respect for the rules and the game that make it essential.

#### [Translation]

If I might add one thing, it is that part of your success as Speaker of this House is, I believe, because you are more than just an MP. You are also a teacher, someone with a background in education. I believe it has always been important to you to communicate to our fellow citizens the essence, the very nature, of this House of Commons.

#### [English]

The skills you brought as a communicator, as a lover of the institutions of Canada, as someone who wanted to ensure that our institutions are well known in the country, have added to the high regard in which you are held by all members of the House. Thank you for your service et bon chance.

Some hon. members: Hear, hear.

**The Speaker:** If I had known you felt that way about me I would have changed my mind.

# **ORAL QUESTION PERIOD**

• (1435)

[English]

# TAXATION

Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance): Mr. Speaker, just a few moments ago I was down the street at a coffee shop getting a cup of coffee. The woman who was working there asked if I was upset that the government was making a weak attempt to steal the Canadian Alliance tax plan.

The more profound question I was asked came from the gentleman who was working behind the till. His question in this cynical attempt before an election to capture votes was "Does the government really think Canadians are this dumb?" Will the Prime Minister please address that question?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, when we returned in September the first question raised in the House was about having a mini-budget. They wanted the Minister of Finance to say what he would do with the great results he was having in terms of surpluses and so on. We obliged.

We told the Canadian people that because of the good management we have provided to the country over the last seven years there was some money available. We were delighted to return some of it in the form of tax reductions and at the same time investments in education, research, medicare, and so on. I am sure the people of Canada will recognize that they have been extremely well served in the last seven years.

**Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, I wonder if the Prime Minister would be willing to test that sense of confidence. I know he has a busy schedule, but would he be willing to accompany me down to the coffee shop just a few blocks down and try that answer on the people who asked me the question? Would you like to try that on with real Canadians? Do you want to try that one on?

**The Speaker:** I ask hon. members to direct their questions to the Speaker.

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I might be visiting a lot of coffee shops in the next few weeks. I am very confident. We are going into an election and members of parliament on this side are inviting me, the Minister of Finance and other ministers of the government to visit their ridings. We will visit a lot of coffee shops. When we come back perhaps we will find the Leader of the Opposition in another coffee shop.

Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance): Mr. Speaker, the confidence of Canadians has been shaken by the most scathing auditor general's report possibly in our history, by the most scathing information commissioner's report possibly in our history talking about a government undermining democracy, and by one after another of RCMP investigations.

They will be remembering a previous tax commitment where the Prime Minister said he would abolish, kill and eliminate the GST. How are these tiny tax cut commitments any different than the big commitment you made and that you have never—

The Speaker: The Right Hon. Prime Minister.

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the Leader of the Opposition makes all sorts of accusations. I just want to say that in public administration we always have some problems and we have to cure them.

On the wire a minute ago there was an item. I just learned this morning that the company that owns and operates the Swan Hills waste treatment facility in Alberta announced that it would no longer operate the plant.

I am sure that the Leader of the Opposition is aware of this project as his former government subsidized it to the tune of \$440 million, a figure confirmed by the auditor general. Apparently the word for a situation like that, I have a problem with this word in English, is boondoggle in Alberta.

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• (1440)

#### AUDITOR GENERAL'S REPORT

**Mr. Chuck Strahl (Fraser Valley, Canadian Alliance):** Mr. Speaker, seeing that there are at least four police investigations in the Prime Minister's riding about misuse of funds, perhaps the Prime Minister should keep those kind of comments to himself.

To return to reality for a minute, the auditor general has graded the government's fiscal management. The auditor general gave it an f for a grade. In fact he said that they have placed little emphasis on the importance of maintaining financial controls. Perhaps that is why its own budget estimates for last year were overspent by a few billion dollars.

The government wants to open the floodgates even more on the spending. Why should the voters of Canada give the Prime Minister another—

The Speaker: The right hon. Prime Minister.

# Oral Questions

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I have explained, and I repeat, that there are problems in public administration anywhere in Canada. Sometimes even in the private sector they have problems and they have to correct the situation.

Today the premier of Ontario admitted that all governments have administrative problems which need correcting. As he put it, "I do not want to be casting stones at glass houses". It is a lesson for all of us.

This is why I have to show the hon. Leader of the Opposition that it was only one project of \$440 million that went belly-up. I do not say they made a mistake. I just say that it is not a success. They probably did it in good faith.

**Mr. Chuck Strahl (Fraser Valley, Canadian Alliance):** Mr. Speaker, the Liberals seem to think that there is a connection between massive spending and electoral success. They are right. After seven years of boondoggle spending and widespread mismanagement, the Liberals will find the more they spend, the less they will succeed at the polls.

Canadians want their governments to manage their money carefully and the government has failed them. Why should Canadians trust the government with more of their tax money when that trust has been so badly broken over the past seven years?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the auditor general has reported. He said there were some problems and we admitted that there were problems. The minister put in place a program of six points that he approved and said was working.

It is amazing and a great compliment to the Minister of Finance that they do not dare ask a question on the budget.

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[Translation]

#### **ECONOMIC POLICY**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, the Minister of Finance's budget is a budget for the rich.

Those earning \$250,000 and up a year will get tax breaks of \$19,000, while those earning \$35,000 will get only \$550. So much for compassion and values.

Will the minister admit that the main purpose of his budget is to woo voters away from the Canadian Alliance, rather than to promote the supposed Liberal values he claims to espouse?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, the bulk of the tax cuts in our statement yesterday are for Canadians earning under \$60,000. There is a fundamental difference between our budget and the Canadian Alliance's position, which would see most cuts going to those earning more than \$60,000.

### Oral Questions

Commentators in Quebec, such as Alain Dubuc, and the great majority of economists are saying that this is a budget for the middle class and for low income earners.

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, the minister has not read all the newspapers. I also read that the money he has used to give big tax breaks to the rich is coming out of the EI fund. This means that he has used the money he took from the pockets of unemployed workers to pay for tax breaks for the rich. That is what has happened.

#### • (1445)

Does he realize that he is using the EI fund, which should be reserved for the most disadvantaged, that he has helped himself to \$30 billion from this fund, to pay for these tax cuts? Does he not think this is just a little bit indecent?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, yesterday's budget is a great victory for Canadians.

The reason we had surpluses is because of Canada's economic activity, which drove unemployment down from 11.5% to 6.8%. This was because of the creation of 360,000 new jobs this year. This was because of the efforts of Canadians.

If I might continue, Mr. Speaker, I much appreciate your forbearance on your last day.

Things are going well in Canada, and because they are we can now give Canadians.

The Speaker: The hon. member for Saint-Hyacinthe-Bagot.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, yesterday's mini-budget neglected many: the victims of the major oil companies were left out.

This morning, we learned that Imperial Oil has reported profits of \$1 billion, in the first nine months of this year alone.

What is the Minister of Finance going to say to taxi drivers, who find nothing for them in the budget, to the truckers choking on the price of gasoline, to the farmers whose profits are disappearing into the pockets of the major oil companies? What will he say to them?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, first off, when companies such as Imperial Oil, Esso, or any company earns profits, we take our share and return it to Canadians. That is one thing.

Second, we know full well that Mr. Landry, the Quebec minister, shares the opinion that there is no point in lowering the tax on gasoline, as it would disappear into the pockets of the oil companies.

This is why we lowered personal income tax for the middle and low income groups and this is why we put \$1.3 billion into the pockets of Canada's taxpayers, in order to help them with heating oil costs. **Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, how can the Minister of Finance claim that truckers, farmers and taxi drivers are going to benefit from lower personal income tax? They are penniless, in the red because of the price of gasoline.

How is he going to explain to taxi drivers, truckers and farmers that he has given the amount they should have had to Canada's richest taxpayers, by cutting the income tax of his millionaire friends significantly? What will he say to them?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, for early January, we gave \$2 billion to low income Canadians. That is immediate.

Second, we asked the provinces if they wanted to share in a tax cut with us, to co-operate with us. However, the PQ minister, Bernard Landry, refused outright. Let the hon. member talk to his head office.

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[English]

#### HEALTH

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, the government was elected because it promised a national plan for pharmacare. It did not promise a national plan for stockbrokers.

Why has the Prime Minister chosen big breaks for stockbrokers and no breaks for Canadian families struggling to pay their medical bills?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, on September 11 we met with all the premiers. We made an agreement where the federal government will invest \$21.5 billion over the next five years in health care. In the debate we had with them we agreed that this money was to serve among other things to have a better system for pharmacare for the citizens of all the provinces.

• (1450)

The NDP government in B.C., the NDP government in Saskatchewan and the NDP government in Manitoba signed on to the agreement. They were among those who wanted to do pharmacare through a federal-provincial agreement rather than have unilateral action by the federal government.

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, seven years later and there is not one ounce of leadership from the federal Liberal government on pharmacare. The government was elected because it promised a national plan for home care. It did not promise corporate tax cuts for high rollers.

I have a question for the Prime Minister. Why did he choose tax breaks for high rollers and no breaks for Canadians struggling to take care of their loved ones, struggling to take care of the sick and the elderly in their own homes?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the hon. member should have taken the time to read the budget but she was a bit too upset listening to the budget. Next year a single parent with one child earning \$25,000 will see the net federal tax benefit rise by \$800 to \$2,200. The member only has to read what is in the budget. I would like to quote Roy Romanow, the premier of Saskatchewan, who said "This budget is headed in the proper direction and is in the best interests of Saskatchewan and Canadians". I could go on and on like that.

\* \* \*

#### AUDITOR GENERAL'S REPORT

**Right Hon. Joe Clark (Kings—Hants, PC):** Mr. Speaker, my question is for the Prime Minister. It relates to the secret deal at Downsview.

The Prime Minister will know that crown corporations established by this parliament are subject to the access to information law. Crown corporations established as Downsview was are not subject to the access to information law. Is that the reason the Prime Minister set up Downsview in a way that has been criticized by the auditor general? Did he set it up deliberately to avoid scrutiny by the access to information law?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I will tell the leader of the Conservative Party that this was done under a law passed by this parliament. The Canada lands organization has been set by this government. It has to produce an annual report to the House of Commons. In the case of the Downsview land that belongs to national defence, all of it is reported through the estimates of the Minister of National Defence for the participation of the Department of National Defence. The annual report will be tabled in due course in the House of Commons.

**Right Hon. Joe Clark (Kings—Hants, PC):** Mr. Speaker, the Prime Minister is talking about the Canada lands corporation which is required to report. The Downsview corporation is not. It is protected by the way the government set it up. The Prime Minister can change that. He and the governor in council have the power under the access to information law to designate crown corporations that would be subject to the law.

My question is simple. Will the Prime Minister right now today give us a commitment that he will later this day have an order in council processed that would make the Downsview corporation subject to the access to information law so these secrets will be in the public domain so the public will know what is going on?

# Oral Questions

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, Canada lands is under an act of parliament and it reports to the Parliament of Canada. It will follow the instructions of the House of Commons. Its operation has to be managed in this fashion. When the annual report is ready it will be tabled according to the requirements of the House of Commons.

**Mr. John Williams (St. Albert, Canadian Alliance):** Mr. Speaker, three years ago the auditor general investigated the abuse of expenses at the Canada Labour Relations Board and that caused the chairman to be fired. In the eight years up to that audit, the board spent an average of \$200,000 a year in travel, but last year that soared to almost \$1 million. That is on top of the airplane tickets that were paid out of another budget.

My question is for the Minister of Labour. Why is she continuing to let this board waste money on itself because it seems to be treating Canadian taxpayers like a bottomless pit of cash?

• (1455)

**Hon. Claudette Bradshaw** (Minister of Labour, Lib.): Mr. Speaker, the hon. member will know that there is a new chair of the Canada Industrial Relations Board in place. New members have been put on that board from the employer and employee side. The board is doing very well and the chair of the board is best placed to respond to these issues.

**Mr. John Williams (St. Albert, Canadian Alliance):** Mr. Speaker, the best place to respond is right here in the House. That new chair is no better than the old chair, because it is the old board members who still have not been fired or turfed off the job who are spending the \$1 million. It is not the new board members, it is the old ones who are still hanging around, cleaning up the files and cleaning up the desks. The auditor general said that they are taking an inordinate amount of time to do it.

This board has gone bananas. It is out of control. I ask the minister right now, will she fire and terminate the old board members now before they suck all the money out of the Canadian taxpayers?

Hon. Claudette Bradshaw (Minister of Labour, Lib.): Mr. Speaker, we did keep some part time members because of the backlog. We wanted to make sure that the people who were waiting to come before our board would come before the board as soon as possible.

I would like to inform the hon. member and the Canadian public that two former members of the board have now finished their work.

\* \* \*

[Translation]

#### ECONOMIC POLICY

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, the Liberals have supported the Bloc Quebecois motion, thus approv-

# Oral Questions

ing the claims made during the march of women. Unfortunately, that support did not translate into concrete measures in yesterday's mini-budget.

How can the Minister of Finance not provide anything for daycare services, social housing, employment insurance and old age security, considering that they are part of the demands he claimed to support earlier this week?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, the hon. member should know that, in budget 2000, indexation was reintroduced, increasing all the benefits to which she is referring. At the same time, we increased by \$100 the national child tax benefit, which will bring the increase to \$300 by July 1.

**Mrs. Pauline Picard (Drummond, BQ):** Mr. Speaker, the minister claims that he is helping people facing an increase in heating oil costs. I checked and I found that, while older people will see their heating bills go up by \$500 or \$600 this winter, the minister will only give them a measly \$125.

How can he claim to be helping them? Should he not have made it a priority to allocate more money to help these vulnerable people?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, I have some difficulty understanding why Bloc Quebecois members are asking these questions, when they will not ask the same questions to my counterpart, the Quebec Minister of Finance.

For example, our tax on diesel fuel is 4 cents, while in Quebec it is 15.5 cents.

\* \* \*

#### HEALTH CANADA

**Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance):** Mr. Speaker, Canadian taxpayers are paying for more than two dozen public servants to go on cruises.

While this government is spending our money on cruises, we continue to pay more taxes than ever before. This is the second time such a thing has happened.

Why did the minister wait for this to hit the headlines before looking into it?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, I made our position clear yesterday. We have been given an explanation by the people concerned, who say that they did not use public funds for that purpose. We have begun an investigation nonetheless. I am going to disclose the facts. If public funds were used for the purposes described by the hon. member, I am going to call for the money to be paid back.

• (1500)

[English]

Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance): Mr. Speaker, this is classed as a professional retreat and this is the second time it has happened this year.

The audit only took place after the story was released in the press, which leads us to believe that it is a constant theme, that many of these ministers have no idea what is happening in their departments.

Just who is it that the taxpayers are treating here, the clients or the staff?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, first, I have just told the House the man said that he did not use public funds. We will get an audit and Health Canada will report the results of that.

On the subject of audits at Health Canada, the member should be reminded that last year when we released audits from all Health Canada MSB programs for first nations and Inuit health, it was found that over the last two years less than 2% of the total programs audited required further follow up, representing .08% of the total value of first nations' health spending. That is a record that I will defend any day of the week.

\* \* \*

[Translation]

#### HUMAN RESOURCES DEVELOPMENT

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, yesterday, the Prime Minister took refuge behind the auditor general's report and said that no politicians or public servants had benefited in any way from the cases under investigation in the Department of Human Resources Development.

Today, does the Prime Minister have anything to say to the House or to the assistant to the auditor general, who took the trouble to point out that the auditor general had never said anything in his report that the Prime Minister could hide behind and that, what is more, there had been frequent political interference in the Department of Human Resources Development under the former minister, who is now the Minister for International Trade? What does he have to say?

#### [English]

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, I spoke with the auditor general about his report. I asked the auditor general if he thought money had been lost. He said "No, the department knows where the money is". I asked the auditor general if he thought money had been stolen. He said "There is no malfeasance. This is not about money being absconded". I asked the auditor general if he felt the administration was outside the management control framework. He said "Yes". I said "That is what we found in our internal audit".

That is why we have implemented a very comprehensive plan to deal with it and why the auditor general has given us an unqualified endorsement of that plan.

#### [Translation]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, she got the question wrong.

I would like to ask the Prime Minister how, as this term comes to an end—it is probably the last time he will be answering one of our questions on this topic—he can claim that the administration is blameless, that the government is blameless, when we have just discovered in a memo that, as of September 6, his government was under police investigation in 21 cases, four of them in his riding? And I am not including Placeteco in the 21, because that investigation has been completed.

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, we have said repeatedly that there were problems and that we were trying to do something about them.

As I told the Leader of the Opposition, these things happen in all public administrations. If I may I would like to cite a passage from the June 2000 report of the auditor general of Quebec, which had this to say with respect to acquisitions of services under the PQ government:

In addition, 58% of cases included violations of significant clauses in the contract and yet no memos were on file to explain these anomalies.

#### And with respect to Emploi-Québec:

In addition, we noted a perverse effect in the [manpower training] fund management—

#### It reads further:

Follow-up done by Emploi-Québec after grants are made-

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

**The Speaker:** Order, please. The hon. member for Calgary Centre.

#### [English]

**Mr. Eric Lowther (Calgary Centre, Canadian Alliance):** Mr. Speaker, early in the 1990s the auditor general told the government that there were major mismanagement problems with HRDC grants and contributions. Later in the 1990s, the auditor general told the government again but we had the same problems and no solutions in sight.

What do we see in in this new century? We see a mismanagement meltdown reported by the auditor general.

#### Oral Questions

If financial mismanagement has not been fixed in seven years, is it not true that the true legacy of the Liberal government is that it has no respect for taxpayer dollars?

• (1505)

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, what the auditor general said in his commentary is that we are making, and I quote, "good progress".

The auditor general said that what we should do is to make today's extraordinary undertaking routine.

I commit to the Canadian people that we will do just that, because on this side of the House we believe in grants and contributions. On that side of the House, we know they would cut every one of them. For us, we want to ensure the integrity of the system, and we will do just that.

**Mr. Eric Lowther (Calgary Centre, Canadian Alliance):** Mr. Speaker, I am concerned that the minister has not even read the AG's report because here is what he did say. He said that problems in managing grants and contributions worsened in the nineties, and then he said that audits later in the 1990s showed persistent problems identified previously. In this current report, he said that there were breaches in authority, payments made improperly, very limited monitoring of finances and activities and approvals not based on established processes.

Is it not time after almost a decade that the government admits that it has no respect for taxpayer dollars?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, we have replied to those questions for months. Members of the opposition, and this hon. member in particular, were asking for money from the department. Listen to what I have here. His own riding has received \$30 million.

I would like the member to go to his riding and tell the people who received this money, such as the Calgary Educational Partnership Foundation, that it will not receive anything any more; the Employment Leadership Council for Youth, nothing any more; the Calgary Catholic Immigration Society, nothing any more; the YMCA of Calgary, nothing at all; The Arthritis Society, nothing at all; and Scouts Canada, nothing at all. I can go on and on.

\* \* \*

[Translation]

#### CINAR

Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ): Mr. Speaker, a number of things indicate that negotiations between

#### Oral Questions

CINAR and Revenue Canada to reach an agreement on the amount the company owes Revenue Canada are proceeding apace.

Can the Minister of National Revenue guarantee that this agreement will not mean the dismissal of all potential fraud proceedings against CINAR directors or former directors?

Hon. Martin Cauchon (Minister of National Revenue and Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.): Mr. Speaker, under the Income Tax Act, all matters relating to taxpayers are, by nature, confidential.

\* \* \*

[English]

#### ECONOMIC POLICY

Mr. Réginald Bélair (Timmins—James Bay, Lib.): Mr. Speaker, in yesterday's economic statement the Minister of Finance announced a new flow-through shares program to ensure that mineral deposits will be discovered in northern Canada.

Can the minister expand on how the junior exploration companies, as well as investors, will benefit from this great initiative?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, there are two things that are very important about this. First, clearly there is an incentive here that will encourage exploration in northern Canada. That will take place as a result of this incentive.

What is equally important, in fact more important, is the fact that this arose not out of an initiative in the Department of finance, but directly as a result of the hard work and dedication of members on this side of the House, members of parliament who would not give up, who did the basic research work, who met with the industry and the workers, and who took on a challenge and accomplished it. I congratulate those members. They are responsible for what happened in yesterday's budget.

\* \* \*

#### AUDITOR GENERAL'S REPORT

Mr. Grant Hill (Macleod, Canadian Alliance): Mr. Speaker, I just gathered a few quotes from yesterday's headlines: "HRDC Scandal", "Abuse Serious and Widespread", "PM Won't Apologize", a word the Prime Minister does not like, "Boondoggle", and "Taxpayers Funds Were Wasted".

Why did the Prime Minister allow that wasteful spending instead of putting it toward the forgotten victims of hepatitis C?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, I draw the hon. member's attention to this release from the Canadian Institute of Chartered Accountants. It states:

The Canadian Institute of Chartered Accountants (CICA) expressed enthusiastic support for the federal government's fiscal strategy as outlined in today's mini-budget, which supplements the 2000 federal budget. "We're impressed by the government's plan to respond to both the short and long-term needs of Canadians..."

Here are some people who know what they are talking about, unlike the hon. member.

• (1510)

**Mr. Grant Hill (Macleod, Canadian Alliance):** Mr. Speaker, I do not think he even knows what I asked.

Let me ask then for Joey Haché. This is somebody I think the Prime Minister will remember. This is what Joey Haché had to say, "When I presented my petition to the Prime Minister he said he did not have any more money for special interest groups". Joey Haché said "I am not a special interest group, I am sick from hepatitis C".

Why did the Prime Minister spend money on wasteful things instead of giving some money to the forgotten victims of hepatitis C like Joey Haché and those who he represents. Why?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, what the member likes to overlook is that this government, over the course of the last two and a half years, has put over \$1.7 billion into efforts to compensate and to treat those afflicted with hepatitis C because of the blood system.

As a physician, this member should appreciate the initiative taken by the government to rebuild and strengthen the Canadian health care system. All those across the country who will ever require health care will recognize the efforts we have made to rebuild and strengthen public medicare.

# \* \* \*

#### CHILD POVERTY

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, it is awfully tempting to ask the Liberals why they think that the new look reformers have almost no questions about their budget, but I think we know the answer. They are happy as proverbial pigs in the barnyard with the budget.

New Democrats do have questions about the budget and so do a lot of Canadians.

This government was elected because it promised to eradicate child poverty. It did not promise big tax breaks for big banks.

I have a question for the Prime Minister. Why did he chose big breaks for his country club friends and no breaks for this country's poorest children?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the child tax credit that was initiated by this government is the most revolutionary system we have had to ensure that poor children and families receive money. In yesterday's mini-budget

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the minister has given other incentives and help to the people at the bottom of the ladder.

I can understand the frustration of the leader of the NDP. She can attack as much as she wants but the people of Canada are very happy with the balanced approach we have. We do not believe that the government should do everything alone. We need the private sector, but at the same time we know that we cannot give everything to the private sector. We take the Canadian way, the Liberal way.

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, the Prime Minister knows that not one poor child in this country will have the benefit of the child tax benefit because the rules that this government put in place allow the provinces to claw back every stinking cent of those tax benefits.

This government was elected because it promised affordable housing. It did not promise tax breaks so that its wealthy friends could renovate their mansions.

Why did the Prime Minister chose to increase capital gains exemptions instead of increasing the—

The Speaker: The hon. Minister of Finance.

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, earlier today the Prime Minister cited Roy Romanow in favour of the budget. If I could simply cite Paul Ramsay, the B.C. finance minister, clearly British Columbians are going to have more money in their wallets. We believe it is crucial to give working families and individuals opportunities.

• (1515)

The question really is how come the NDP across the country gets it and the leader of the NDP in the House does not?

\* \* \*

[Translation]

#### JOB CREATION

**Mr. Jean Dubé (Madawaska—Restigouche, PC):** Mr. Speaker, on February 7, the Minister of Human Resources Development told the House that over 30,000 Canadians had found work thanks to the transitional jobs fund. This is in contradiction with the statement by the Auditor General of Canada to the effect that he is unable to determine the number of jobs created, because the department's files are in such a terrible state.

Can the minister tell us where these figures come from or did they just come out of thin air?

[English]

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, indeed that number came from an independent review by a reputable third party. The auditor general himself has said jobs were created. There is discussion over how many, but it is clear that these programs have had a very important impact in high unemployment areas across the country.

Government Orders

We recognize that we have to do a better job keeping our data and we will because it is part of our action plan.

# \* \* \*

#### RCMP

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, the Nova Scotia Supreme Court has ruled that the provincial court has the jurisdiction to hear six labour charges arising out of the tragic drowning of RCMP Constable François Carrière in December 1997.

These charges state that the RCMP failed to train, equip and supervise Carrière during his underwater drug search. Now the RCMP are once again seeking a court order to stop the trial on a jurisdictional and technical basis to avoid answering the merits of the case.

My question is for the solicitor general. This will be his final question in the House. Will he rather than hiding behind procedural delays to dull the sword of justice, let this matter proceed to trial?

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, this is a tragic situation and I assure my hon. colleague this is not my last answer in the House.

I take this matter very serious. My hon. colleague is also aware that this is before the courts.

# **GOVERNMENT ORDERS**

• (1520)

[English]

#### WAYS AND MEANS

#### EXCISE TAX ACT

**Hon. Paul Martin (Minister of Finance, Lib.)** moved that a ways and means motion to amend the Excise Tax Act, laid upon the table on Wednesday, October 18, be concurred in.

**The Speaker:** Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

**The Speaker:** All those in favour of the motion will please say yea.

Some hon. members: Yea.

Alarie

Asselin Bailey

Bigras

Cardin

Davies

Debien

Dumas

Forseth

Earle

Jaffer

Lebel

Penson

Stoffer

Venne Williams-82

#### Government Orders

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Speaker: Call in the members.

• (1530)

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

# (Division No. 1427) YEAS

Members

Alcock

Adams Anderson Assadourian Bakopanos Beaumier Bélanger Bennett Blondin-Andrew Bonwick Boudria Brown Bulte Caccia Cannis Casey Cauchon Chan Chrétien (Saint-Maurice) Clouthier Collenette Cotler DeVillers Dovle Drouin Duhamel Eggleton Folco Fry Gallaway Goodale Gray (Windsor West) Guarnieri Harvard Hubbard Jackson Jordan Keyes Knutson Lastewka Lee Lincoln MacAulay Mahoney Maloney Marleau McCormick McKay (Scarborough East) McTeague Mifflin Mills (Toronto—Danforth) Mitchell Myers Normand O'Brien (London—Fanshawe) Pagtakhan Parrish Peric Pettigrew Pickard (Chatham—Kent Essex) Pratt Proud Provenzano Reed Rock Scott (Fredericton)

Assad Augustine Barnes Bélair Bellemare Bertrand Bonin Borotsik Bradshaw Brvden Byrne Calder Caplan Catterall Chamberlain Charbonneau Clark Coderre Copps Cullen Dion Dromisky Dubé (Madawaska—Restigouche) Easter Finlay Fontana Gagliano Godfrev Graham Grose Harb Harvev Ianno Jennings Karygiannis Kilger (Stormont-Dundas-Charlottenburgh) Kraft Sloan Lavigne Leung Longfield MacKay (Pictou-Antigonish-Guysborough) Malhi Manley Martin (LaSalle-Émard) McGuire McLellan (Edmonton West) McWhinney Milliken Minna Murray Nault O'Brien (Labrador) O'Reilly Paradis Patry Peterson Phinney Pillitteri Price Proulx Redman Robillard Saada Sekora

Serré	Sgro
Shepherd	Speller
St. Denis	St-Jacques
Steckle	Stewart (Brant)
Stewart (Northumberland)	Szabo
felegdi	Thibeault
Thompson (New Brunswick Southwest)	Torsney
Jr	Valeri
Vanclief	Vautour
Whelan	Wilfert
Wood—151	

#### NAYS

Members

Anders Bachand (Saint-Jean) Bellehumeur Benoit Bergeron Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok) Blaikie Breitkreuz (Yorkton—Melville) Cadman Brien Canuel Casson Dalphond-Guiral Chrétien (Frontenac-Mégantic) de Savoye Desrochers Dockrill Duceppe Duncan Epp Fournier Gauthier Gagnon Girard-Bujold Godin (Acadie-Bathurst) Goldring Gruending Gouk Guay Guimond Harris Hill (Prince George-Peace River) Hill (Macleod) Johnston Kenney (Calgary Southeast) Konrad Laurin Lill Lalonde Loubier Lowther Martin (Esquimalt-Juan de Fuca) Marceau Martin (Winnipeg Centre) Mayfield McDonough McNally Ménard Mercier Mills (Red Deer) Morrison Nystrom Obhrai Perron Picard (Drummond) Proctor Reynolds Ritz Schmidt Sauvageau St-Hilaire Stinson Strahl Tremblay (Lac-Saint-Jean-Saguenay) Tremblay (Rimouski-Neigette-et-la Mitis) White (North Vancouver)

# PAIRED MEMBERS

\*Nil/aucun

The Speaker: I declare the motion carried.

[Translation]

Mr. Michel Gauthier: Mr. Speaker, I rise on a point of order. I am having trouble understanding something.

In connection with the Minister of Finance's budget statement, the Chair accepted an amendment by the official opposition and an amendment to the amendment by the Bloc Quebecois. Yet we have just had a vote without taking into consideration the debate on the amendment to the amendment and the debate on the amendment, which ought normally to have been adopted or rejected before a vote on the main motion.

I do not understand why we are not voting today when the amendment and the amendment to the amendment were accepted and a day and one-half of debate on them was tolerated. We are voting on the main motion only, not the amendments.

If the main motion was not open to amendment, the Chair ought not to have accepted amendments. Since it did accept them, they ought to be voted on.

**The Speaker:** I am told that it is not the same vote. The one the hon. member is referring to concerns Motion No. 13, under the rubric of government business, while the other concerns ways and means. These are two totally different things and that is why we were able to proceed in this fashion.

That is the information the Clerk has given me. Perhaps if you come forward, the Clerk will be able to provide you with further information.

**Mr. Michel Gauthier:** Mr. Speaker, on this final day—we can forget about tomorrow, because the government will not be here—I would like to share our wisdom with the House.

Under parliamentary law, how is it possible for us to vote on a ways and means motion to implement a budget statement which has not itself been approved, since the Chair has allowed an amendment to an amendment and an amendment from the official opposition?

We cannot vote on the implementation of something that has been officially amended, debated in the House and not voted on.

I am sorry, Mr. Speaker, I do not wish to upset anyone, but you are going to have a serious legal problem if you allow everyone to leave like this and we do not vote on the amendment to the amendment, the amendment and the main motion. This poses a very serious legal problem. Think twice.

It does not matter to me, but it is the government's budget and it should perhaps be looking after its own affairs.

The Speaker: I have made my ruling. We will see what happens.

Private Members' Business

# **PRIVATE MEMBERS' BUSINESS**

• (1535)

[Translation]

#### LABELLING OF GENETICALLY MODIFIED FOODS

The House resumed consideration of the motion.

**The Speaker:** Pursuant to order made on Tuesday, October 17, 2000, the House will now proceed to the taking of the deferred recorded division on Motion M-230, under private members' business.

• (1545)

[English]

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

#### (Division No. 1428)

#### YEAS

Members

Alarie	Assadourian
Asselin	Bachand (Saint-Jean)
Bélanger	Bellehumeur
Bennett	Bergeron
Bernier (Bonaventure-Gaspé-Îles-de-la-Made	eleine—Pabok)
Bigras	Blaikie
Brien	Caccia
Canuel	Cardin
Chrétien (Frontenac-Mégantic)	Dalphond-Guiral
Davies	de Savoye
Debien	Desrochers
Dockrill	Duceppe
Dumas	Earle
Fournier	Gagnon
Gallaway	Gauthier
Girard-Bujold	Godfrey
Godin (Acadie-Bathurst)	Gruending
Guay	Guimond
Ianno	Jackson
Jaffer	Kraft Sloan
Lalonde	Laurin
Lebel	Marceau
Martin (Winnipeg Centre)	Ménard
Mercier	Nystrom
Obhrai	Perron
Picard (Drummond)	Price
Proctor	Sauvageau
Schmidt	Scott (Fredericton)
St-Hilaire	St-Jacques
Stinson	Tremblay (Lac-Saint-Jean-Saguenay)
Tremblay (Rimouski-Neigette-et-la Mitis)	Venne —61

# Tributes

#### NAYS

Members

Anders Anderson Augustine Bakopanos Beaumier Bélair Bellemare Benoit Bevilacqua Bertrand Bonwick Borotsik Boudria Bradshaw Breitkreuz (Yorkton-Melville) Brvden Calder Bulte Cannis Carroll Chamberlain Casson Charbonneau Clark Clouthier Cullen DeVillers Dion Doyle Dromisky Drouin Dubé (Madawaska-Restigouche) Duhamel Duncan Eggleton Easter Finlay Epp Fontana Gagliano Goldring Goodale Guarnieri Grose Harris Harvard Hill (Macleod) Hill (Prince George-Peace River) Hubbard Iohnston Karygiannis Kenney (Calgary Southeast) Kilger (Stormont-Dundas-Charlottenburgh) Konrad Lastewka Lee Longfield Lowther MacAulay MacKay (Pictou-Antigonish-Guysborough) Malhi Maloney Manley Marleau Martin (Esquimalt-Juan de Fuca) Mayfield McCormick McKay (Scarborough East) McLellan (Edmonton West) McNally Mills (Red Deer) Milliken Mills (Toronto-Danforth) Mitchell Morrison Murray Myers Nault O'Brien (London-Fanshawe) O'Reilly Pagtakhan Paradis Penson Pettigrev Pickard (Chatham—Kent Essex) Phinney Pillitteri Pratt Proulx Proud Provenzanc Redman Reed Richardson Robillard Ritz Saada Sgro Speller Shepherd St. Denis Steckle Stewart (Northumberland) Strahl Szabo Telegdi Thompson (New Brunswick Southwest) Torsney Valeri Ur Vanclief Wilfert Williams Wood—114

#### PAIRED MEMBERS

\*Nil/aucun

**Mr. Philip Mayfield:** Mr. Speaker, I rise on a point of order. I would like my vote recorded in opposition to the motion.

The Speaker: I declare the motion lost.

• (1555)

#### **ROBERT MARLEAU**

**The Speaker:** My apologies for taking so long in getting to the business of the House. The business of the House right now is to pay tribute to one of our colleagues who has served parliament for some 30 years.

He is here with us today in our gallery. I refer to Robert "Bob" Marleau, Clerk of the House of Commons and Special Adviser to the Speaker. He is here with his wife, Ann, his sons and his dear friends and colleagues who worked with him for so many years.

If you permit me a few words to begin, I will call you Bob throughout this because we dropped the terms "Gilbert" and "Robert" a long time ago. Almost from the beginning of my mandate as Speaker of the House, I did refer to Bob Marleau not as "the clerk" but as "my clerk". This possessive was used with the greatest respect to publicly indicate my complete trust and confidence in the man who was to be, for the next seven years, my closest and most trusted adviser.

As members know, Bob Marleau stepped down as Clerk of the House last July. I did not then have the opportunity to stand before you, my colleagues, to thank him on your behalf for his many years of service to the House.

#### [Translation]

Bob has been a part of the House of Commons for 30 years, more than a generation: committee clerk, treasurer of the Canadian section of the Association internationale des parlementaires de langue française, principal clerk, committees and legislation, clerk assistant and, in 1983, Clerk of the House of Commons.

So much knowledge and experience and all of it available to the clerks at the table, the members of the House and the Chair.

• (1600)

#### [English]

In addition, Bob has been a key member of the Canadian Study of Parliament group, a member of the Association of Clerks-at-the-Table in Canada, a founding member of the Association des secrétaires généraux des parlements membres de l'AIPLF, and is frequently consulted for his parliamentary expertise by his colleagues in other parliaments around the world.

Bob, I thank you for many things, for your wisdom, your judgment, your discretion, your humour, your golf game, even your scolding because even Speakers need straightening out once in a while and few people are brave enough to take on the task. In your

time on the Hill you have in your own quiet way greatly influenced those around you. The members of Parliament and the House of Commons, be they security guards, maintenance staff or procedural clerks, all hold you in the highest esteem and speak of you with genuine fondness. Not many people are so well respected.

#### [Translation]

I am relieved to know that you will remain with me a few months longer as special adviser. I know that your wife Ann and your sons Kristian and Stéphane will enjoy having you around more once you finally leave parliament.

#### [English]

Try to use some of that extra time to improve your golf, but not too much.

#### [Translation]

Bob, I thank you on behalf of all the members and staff for your years of service to the House of Commons and by extension to parliament and the people of Canada.

#### [English]

Those of us who served alongside you, whether in the Chamber or within the parliamentary precinct, will not soon forget your contribution to this country, both here and abroad. Both yourself and Camille Montpetit, who is with you today, and others, are responsible for a book of rules that we will be using in this parliament, if it follows practice, for the next 40 or 50 years.

Of all the things that I have said to you, Bob, I think in my heart the most important thing that I treasure is your friendship and your unflagging loyalty to this institution. Whenever I lost sight, you were always there to point out that there are other ways to look at things, which were better than the ones I was looking at at that time.

So thank you, my friend, for what you have done for me personally, for these members, for the House of Commons of Canada. You are a great asset to the House. Thank you, Bob.

#### [Translation]

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, it is with great pleasure that I join you and all our colleagues today in paying tribute to a remarkable man who has had an equally remarkable career here, in parliament, Robert Marleau.

When I first met him, he was a young man from Cornwall, in the riding of Stormont—Dundas—Charlottenburgh, represented by the chief government whip. I remember this ambitious young man from eastern Ontario who was just beginning his career.

I myself had just arrived here, in the parliamentary restaurant, as I often say. As for Mr. Marleau, he was starting out with the

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committees. At the time, his hair was not as grey. As for me, I still had some. This was the beginning of a brilliant career that lasted over 30 years and culminated with his appointment to the position of Clerk of the House of Commons.

Throughout his career, Robert Marleau has displayed extraordinary professionalism and professional ethics, which he has been able to pass on to his colleagues and successors. It was great to work with Robert Marleau over the years. While we were somewhat surprised to learn that he was retiring, something which no one wanted him to do, he definitely deserves it. I would like to wish Mr. Marleau—Robert, if I may call him that—all the best and offer him my heartfelt congratulations on a brilliant and successful career.

• (1605)

[English]

I am a bit jealous that some people will miss Mr. Marleau's golf game because I know no one will ever miss mine.

**Mr. Chuck Strahl (Fraser Valley, Canadian Alliance):** Mr. Speaker, it is my pleasure also to rise to pay tribute to someone who was the first man that I met when I was elected here in 1993. He helped me sign in. In that parliament, you will remember, Mr. Speaker, there were over 200 new people. We did not know where our seats were, we did not know how to sign and we did not know anything. Bob Marleau helped us to do that and helped us to do much more as we learned the rules and learned the ropes here in the House of Commons and I think learned to respect the House of Commons in part because he respected this place so much.

I think too of the procedural book that he co-authored with Mr. Montpetit. I turned to it today. I thought that I would look in it to see what it is that the clerk is supposed to do. There are three full pages of work and duties of the Clerk of the House of Commons. I switched right away over to the House leaders and there is one line in there about the House leaders. Therefore, there is more work to be done on the procedural book yet, I am sure. That procedure book I think will become a standard not only here in the House of Commons but increasingly as democracies around the world look to Canada and look to this House of Commons. They will pick up the book co-authored by Mr. Marleau and say this is a way that democracy can be enhanced and be respected.

I think overall that the biggest tribute perhaps to Mr. Marleau is that although all members of the House of Commons are equal, we all know that while that is traditionally true many members in the House have much more power than others. That is just a fact. Some are far more aggressive than others. Some are far more demanding than others. However, through it all I have never seen Mr. Marleau

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blink as far as being absolutely fair, absolutely impartial, absolutely act with dignity and absolutely bring grace and sort of a calmness to this place in everything he did.

Also, if I could, I think Bob would permit me to talk about our coffee together that we had just by coincidence the other morning in the cafeteria. I asked him "What are you going to do when you retire", because he has not really retired yet; he is heading that way. He mentioned a few things that he had on his mind but even in retirement the things that he is considering have to do with helping charities, helping developing countries, helping people in need, helping out Canadian organizations and lending the organizational expertise that we have come to admire so much.

I thought it is a great tribute to the man. The organizations will be lucky people and we have been very fortunate to have him in our midst. Thank you, Bob.

#### [Translation]

Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ): Mr. Speaker, I am pleased to rise in the House to add my words to those of my colleagues who have spoken before me, all of them reflecting, I believe, what we all feel toward Mr. Marleau, who has left us, or will soon be doing so.

I would, however, like to say, in order to be fair to Mr. Marleau and Mr. Montpetit, who were directly attacked a few moments ago, that I feel otherwise: the work they have produced shows the full importance of the chief whip in that there is more reference to that position than to that of the House leader.

While that position may not have all the visibility and all the deference owing to it, at least in the joint work of Mr. Marleau and Mr. Montpetit we see the full importance, the full essence of the position of chief whip of the various parties.

#### • (1610)

Joking aside, I wish to express here the great admiration I personally and my fellow Bloc Quebecois members have for the work that has been done by Mr. Marleau, not just as Clerk of the House of Commons, because the Speaker also mentioned his long parliamentary career.

He started here in 1969 as clerk of committee. He then joined the parliamentary relations secretariat. He served as principal clerk, director of committees and private legislation, clerk assistant and, finally, in 1987, was appointed Clerk of the House of Commons.

He therefore has very broad experience, which he has shared with all of us here in the House. We are all indebted to him for his contribution to this Chamber, for what he has done for us individually and as a group.

Earlier the Speaker was saying that he will soon be leaving the House of Commons. On that score, I can say that he will never really leave it, that there will always be a seat for him here, because we have unanimously agreed to reserve for him the distinction of honorary clerk of the House of Commons. He will thus be able to join us and take part in the work of the House when the mood strikes him. I invite him to do so as often as possible.

What is particularly sad is knowing that this House will lose a part of its corporate memory. There is no denying that there have been a number of inroads on that memory in recent years.

In addition to Mr. Marleau, some very capable individuals have left us. There is Mary Anne Griffith, Camille Montpetit and Diane Davidson, who, through a chance administrative reorganization, has moved on to the Department of Justice and is now with the Chief Electoral Officer. She also shared with us her vast experience and considerable professionalism, as did Ms. Griffith and Mr. Montpetit.

Here we have much of our corporate memory leaving us, and we will have to make up for this loss one way or another.

I know that I myself and my colleagues in the Bloc Quebecois have given Mr. Marleau, young retiree that he is, a few white hairs.

Nevertheless, since 1987, although the Bloc Quebecois was not around then, Mr. Marleau has weathered some rather stormy situations. However, being a fine helmsman, he always maintained a steady course and captained his ship exceptionally.

If we in fact did give him a few white hairs on occasion, I must say right off that it was not our intention and that we had the highest respect for his person, his duties and his contribution to the House of Commons.

People move on and the institution remains, I think. However, the memory of these people remains and does so for a long time.

Thank you for your contribution to the House of Commons. I think your presence here and your contribution will long remain within these walls. Thank you very much and congratulations. May your well deserved retirement be a good one.

As my friend, the House leader of the official opposition put it, I know full well that you are retiring, but you are not retiring, because you have also told me what you plan to do in your retirement.

I wish you good luck. I have not had the good fortune to golf with you, but you have had the good fortune not to golf with me.

#### [English]

**Mr. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, today seems to be the time for goodbyes and of course those who have the good fortune to choose the time of their retirement or resignation have the blessing of an opportunity for colleagues to express themselves about them.

I am sure that there are at least some in this place who will not have that opportunity. They will just go reluctantly into that good night on November 27. I say to Mr. Marleau that I am glad we have had this opportunity before parliament ended. He resigned in the summer and we did not have a chance to do this. I was certainly anxious that we would have an opportunity to put our thoughts on the record.

One always feels a bit more melancholy about people retiring when they are kind of close to your age and when one has been here almost as long as they were. I feel almost that this clerk is someone of my own generation. Certainly we have served in the House together for 21 and a half years. He has been a part of our collective lives here, part of my life here, and certainly part of that life I will always recall with great affection.

#### • (1615)

I appreciated his sense of humour. I appreciated the care he often demonstrated for this institution and the integrity with which he carried out his duties. I appreciated the work he and Mr. Montpetit did to put together the procedural book.

I hope against hope he will not write a memoir, gathering together the most eccentric behaviour he witnessed on the part of members of parliament over the 30 years. However it might be a best seller, one never knows.

I hope he will write a book on parliamentary reform. I notice he has already authored an article or two in some journals about this. Free of the constraints of the Table, and I say this with all due appreciation for the Chair and the Table, he might be able to offer us even better advice on how we might improve this place than he was able to do as Clerk of the House of Commons.

Hon. Don Boudria: Report stage.

**Mr. Bill Blaikie:** Report stage is just what I had written down here. Maybe that was the reason he retired; he could not face another marathon vote. In his retirement, if he could crack that nut for us, that would be a good idea.

The clerk is obviously a party to many of the rulings. You also are leaving, Mr. Speaker. I will tell both of you, given that you probably conspired together on this, that only once did I profoundly disagree with both of you. That was with respect to the treatment of independent members and the whole question of party status in the previous parliament. Even though I did not agree with you, I never once doubted that you were acting as you saw best and out of a sense of integrity and commitment to your own view of what was appropriate.

I wish Bob and the members of his family, who have much to be proud of, all the best in the future. Future clerks, including our new clerk, have big shoes to fill. Bob has left a legacy of service we will always cherish.

# Tributes

#### [Translation]

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, it is also a great pleasure for me, a young member of parliament, to join my colleagues in paying tribute to Mr. Marleau.

#### [English]

He was perhaps one of the first people I met when I arrived here, completely confused and overwhelmed by the tasks that lay before me. Parliament and parliamentary procedure can sometimes be described as navigating an incredible labyrinth and untying a Gordian knot at the same time. Mr. Marleau was very quick to come forward and offer advice and calm support. He was always very deliberate and supportive any time I had the pleasure to meet with him or request assistance.

Mr. Marleau offered that help on a very non-partisan level, as has been alluded to. There was never a nod or a wink or any indication that any member of any party of the House, regardless of title or personal connection, received anything other than an impartial and straightforward word of advice.

Mr. Marleau has also distinguished himself as an author. He has made a very lasting contribution to this place through his writings. He and his co-author, Mr. Montpetit, have left with us a legacy that will serve this parliament and perhaps all parliaments in the land for many years to come. The House of Commons will no doubt miss his wisdom and his steady hand, but through his writings he will be with us for many years to come.

• (1620)

I would describe Mr. Marleau as the consummate impeccable, professional clerk. His approach as viewed from a distance was always very steadying in its influence on this place. Most would be quick to agree that sometimes this place borders on the raucous and out of control atmosphere we have come to accept. Through it all Mr. Marleau was there, very much at the wheel, very much guiding us through the important work done in this Chamber. The old adage that quiet, calm deliberation disentangles any knot comes to mind when I think of Mr. Marleau and his stewardship in the House of Commons.

For his years of public service to the House of Commons we are very thankful. As well, we must pay tribute to those who were with him at the table.

I do not want to mix the tributes, but it has been my distinct pleasure to have been in a parliament over which you have presided, Mr. Speaker. I have had the honour to work with Mr. Marleau. I hope it will serve me regardless of what happens in the days to come.

On a personal level, it has been my great honour to say that I know the man. I admire the diligence and patience he has shown with new House members, including me, and with the many others who have expressed an interest in our parliamentary procedure. I believe he went above and beyond his service and the strict

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professional definition of clerk when it came to inquiries from outside this parliamentary precinct. He was always there, and for that we can be very thankful.

I know his family is present. His family was always near, always close to him. I remember being in his office and hearing him speak with beaming pride of his sons. He also has great love for and admiration of his wife and her support. I wish Bob, his wife Ann, their two sons and their whole family many years of happy retirement. I certainly hope we will cross paths again.

**The Speaker:** I am hosting a reception in honour of Bob, his wife and his two sons in my chambers, 220 North. I invite all of you to join me. We can continue this conversation there.

Bob, on behalf of all of us here we thank you for your great service to the House of Commons.

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#### **BUSINESS OF THE HOUSE**

**Mr. Chuck Strahl (Fraser Valley, Canadian Alliance):** Mr. Speaker, the House leader's job on Thursday is to ask the Thursday question, which is about upcoming business.

Canadians want to know what the business will be for the rest of the day, for tomorrow and for the weeks to come. The government made a lot important claims. It claimed it wanted to change financial administration. It claimed it wanted changes to immigration and citizenship. It claimed it wanted to change the Young Offenders Act. It claimed a lot of things that are not getting done.

Canadians want to know why an election when there is so much important legislation we could be working on over the next couple of weeks.

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would like to answer that question for the Leader of the Opposition, who called for an election, but unfortunately I cannot. I can only deal with the business question, which I will do.

This afternoon we will deal with Bill C-44. Tomorrow we will consider Bill C-15, water exports. We will continue debating that item on Monday. I wish to designate next Tuesday an opposition day.

#### • (1625)

In the unlikely event that I am not able to participate in the opposition day debate next Tuesday, when I would want to speak on this subject, I want now to take this opportunity to thank the the House leader of the official opposition, the member for Fraser Valley; the hon. member for Roberval; the hon. member for

Winnipeg—Transcona; and the hon. member for Pictou—Antigonish—Guysborough for the excellent work they have done in their capacity as House leaders for their respective parties.

By tomorrow this institution will have passed 111 bills, I believe, since the last election. Perhaps there will be more to come in the next few days and weeks. Who knows? We succeeded in having parliament function well, given the five party system and so on, largely because of the excellent work and leadership provided by the people I have just named. I thank them for their co-operation and dedication in making this great institution work.

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, I rise on a point of order. I take the point the government House leader makes that the so-called pizza parliament has worked out better. I would not say it went from being a pizza parliament to a peaceful parliament but somewhere in between the dire predictions that were made.

Obviously the business of the House for this week continues unabated. I wonder if the House leader could explain to me why there were no Liberals present a few minutes ago when the auditor general appeared before the public accounts committee, which meant that the auditor general, who has made a report that everyone is interested in, could not be questioned by opposition members.

It seems to me this has to do with government business. It has to do with a matter of parliamentary business. It is very shameful that no government members were there and the committee could not meet. Perhaps the government House leader could explain that.

**The Acting Speaker (Mr. McClelland):** It is difficult for me, as a relatively junior member compared with the hon. member for Winnipeg—Transcona, to intervene in this regard. However, I am aware of the fact that committees are creatures of their own invention. I do not know it is appropriate that this is part of the Thursday question or a point of order associated with the Thursday question.

If the government House leader would care to respond I am sure there would be no problem.

**Mr. Bill Blaikie:** Mr. Speaker, it would seem to me that only God is a creature of his own invention. Committees are creatures of the House, and therefore somebody has to be answerable when the government is behaving in this very peculiar way.

The Acting Speaker (Mr. McClelland): Perhaps the government whip will be able to shed some light on this.

Mr. Bob Kilger (Stormont—Dundas—Charlottenburgh, Lib.): Mr. Speaker, I am at a loss for words. I will certainly look into the matter. If what the member for Winnipeg—Transcona has reported has occurred, and I am sure it is accurately reported, it is totally unacceptable. This is something I would hope would never happen. I regret if it did happen, and certainly I will give it my utmost attention.

Mrs. Michelle Dockrill (Bras d'Or—Cape Breton, NDP): Mr. Speaker, I would like to inform the government whip and House leader that as the representative on the public accounts committee for the New Democratic Party, I can confirm that no Liberal representatives arrived at the committee.

The Acting Speaker (Mr. McClelland): It is obvious that the government has taken this matter very seriously.

#### [Translation]

It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Cumberland—Colchester, Transportation; the hon. member for Yorkton—Melville, Gun registry; the hon. member for Davenport, Communications.

# **GOVERNMENT ORDERS**

• (1630)

[English]

#### EMPLOYMENT INSURANCE ACT

The House resumed from October 5 consideration of the motion that Bill C-44, an act to amend the Employment Insurance Act, be read the second time and referred to a committee.

**The Acting Speaker (Mr. McClelland):** Is the House ready for the question? Are hon. members rising on debate?

#### An hon. member: Debate.

The Acting Speaker (Mr. McClelland): On debate, the hon. member for Joliette.

**Hon. Don Boudria:** Mr. Speaker, I rise on a point of order. I appreciate that you had already started to put the question and that you are now recognizing an hon. member. That is fine. I am sure we are all accommodating in order to allow enough time for people to come into the House.

That being said, I wonder if, for the benefit of Canadians receiving the funds for which they will be eligible under Bill C-44, the House would agree that at 5.30 p.m. the bill will be passed in second reading, be deemed to have been passed in committee of the whole, read the third time and referred to the Senate for its consideration.

#### Government Orders

The Acting Speaker (Mr. McClelland): Does the hon. government House leader have unanimous consent of the House?

Some hon. members: Agreed.

Some hon. members: No.

**Mr. Bob Kilger:** Mr. Speaker, I rise on a point of order. If I could just have the indulgence of the Chamber to go back to the point of order raised by my friend and colleague from Winnipeg—Transcona, because it is through our office and the government whip's office that we co-ordinate committee work, attendance, and so on.

I have just had the benefit of speaking to some of my staff, and we in fact had people who were going to the meeting. My understanding is that regrettably there was a change in the location of the meeting, and while they were in transit or getting from one place to another, the meeting was adjourned. I can understand that, but believe me there was no intention on the part of the government members to avoid attending that meeting. It is regrettable that it did happen, but there was certainly no intention at any time to avoid that meeting.

The Acting Speaker (Mr. McClelland): That point is now finished. We have had the question and an explanation. If we want to do more, we can do it behind the curtains. We are now going to debate.

**Mrs. Michelle Dockrill:** Mr. Speaker, I rise on a point of order. I would like to inform the House that the public accounts committee waited for over 20 minutes and nobody showed up.

The Acting Speaker (Mr. McClelland): That was not a new point of order.

#### [Translation]

**Mr. René Laurin:** Mr. Speaker, I rose on a point of order, not to continue the debate.

I simply wanted to tell the Chair that some speakers were scheduled to speak and that we should not proceed with the vote immediately. This is what I wanted to point out. But since you indicated that we are resuming debate, you have answered my question and I do not think there is any objection to proceeding in this fashion.

#### [English]

Mr. Keith Martin (Esquimalt—Juan de Fuca, Canadian Alliance): Mr. Speaker, today it is indeed a pleasure to speak to Bill C-44, an act to amend the Employment Insurance Act.

Given the events of the last couple of weeks, I must say that those of us on this side watching the actions of the government are deeply disappointed in its failure to truly address unemployment in the country in a meaningful fashion.

#### Government Orders

#### • (1635)

If the government was truly interested in a long term, effective plan to deal with the underpinnings of unemployment and underemployment in our country today, it would have had a more thoughtful approach rather than suddenly trying to pull out a mini-budget because the official opposition has decided to put forth a thoughtful way of lowering taxes and improving the economy. Instead the government has chosen, in a haphazard fashion, to merely lift many of the things from our platform and say to the public that after this election it will implement them.

The fact of the matter is, the public is going to see through this. If the government truly wanted to get people off EI rolls, to get people off welfare, to improve the lives of people who are underemployed in our country and to improve the lack of competitiveness in our nation, then it would address such things as how we are going to improve our education system.

The government should pull the first ministers together and ask how we can have national standards for education in this country today, how we can have public and private partnerships on improving the education system so that our young people will be able to learn the skills necessary in the real world, in real time, in order to be able to be employed in the future.

The government should ask how we can start addressing the interprovincial trade barriers which, I might add, are greater east-west than they are north-south. Is it not remarkable that there are more barriers to trade between my province of British Columbia and the province of Ontario than there are between British Columbia and Washington state? That is a shame.

If the government was truly interested in improving the economy of this country, it would have sat down with the first ministers and said "We are going to lock ourselves in this room. We are will sit in front of this table and come to an agreement that is going to remove the egregious rules and regulations that have been choking off the private sector in this country for far too long". That is what the government should be doing.

Not only should the government have been looking at lowering the tax rates and taking a leaf out of our book, a little leaf, it should have taken a large chunk of our book instead of only asking how it could lower personal taxes and business taxes. I compliment the government on the fact that this has been done to some extent in this budget, but it should have been done a few years ago.

The government should also be dealing with ways of equilibrating the tax structure between high tech and manufacturing companies. High tech companies pay a higher taxes than those in manufacturing. Why is that so? There is not even any discussion about it, but there is no lack of ideas, not only within the House but also more importantly outside the House, from people across the country, people in business, in the public and in academia. Many of them have brilliant ideas on what we can do to improve our economy and the health and welfare of Canadians, which they have offered to the government.

There is an illusion going around that has been stuck in the House for far too long, which is that somehow if one is into lowering taxes, improving the economy and being fiscally responsible, one is being socially irresponsible. The illusion is that lowering taxes will somehow harm the poor and the middle class.

The fact of the matter is that whether we are looking at northern Europe, Sweden, Ireland, the British Isles, the U.S. or southeast Asia, those countries that have taken it upon themselves to lower taxes, rules and regulations and make labour laws more flexible have improved dramatically. The health and welfare of the people, particularly of those who were the most impoverished in our society, has improved. Just as important, it has given us the money to pay for the social programs that we have come to rely on so much and that are so important in helping those who cannot help themselves in time of need, be it with health care, education, pensions or otherwise.

That is what the government should be looking at, for to be fiscally responsible is to be socially responsible. They are two halves of the same whole. If one is fiscally irresponsible, as some NDP governments have been in the past, particularly in my province of British Columbia, that fiscal irresponsibility of spending more than is taken in, of spending the taxpayers' money unwisely, crushes our ability to pay for our social programs.

• (1640)

As a physician, I work in a hospital where it takes three and a half years just to see an orthopedic surgeon, where I cannot find a pillow in my emergency department for somebody with congestive heart failure. The reason that is so, the reason we do not have nurses for our emergency departments and hospital beds, is that there is not enough money in the system. There is not enough money in the system because our economy has not expanded so that we can tax that money wisely and fairly and have it available to pay for those programs that we are endeared to.

We are also not taking into consideration a brick wall that we will slam into. A lot of people will be hurt. That brick wall is our demographics. In the next 20 years our population over the age of 65 will double. As our population ages so too do our demands increase on programs such as pensions, health care and other services.

Yet there is no debate. There is only deafening silence on what we should be doing to prepare for the future and to deal with our needs in health care and the demographic changes that are going to be imposed upon our pension system. How will we do this? If we do not, those who are going to be hurt are seniors, fixed income people and those who will live lives of quiet desperation unless we deal with the problems now. We cannot manufacture these solutions overnight.

We have proposed for a long time that the Government of Canada, the Liberal Party in this case, take upon itself to deal with these problems now. We will work with them, as we will with the public, to bring forth effective solutions to deal with that demographic bubble that will hit our social programs with full force, causing them to crumble and causing the most vulnerable in our society to be hurt. This is something the government has failed to do.

#### [Translation]

**Mr. Yvan Bernier:** Mr. Speaker, on a point of order. I would like some clarification. Are we not supposed to be talking about Bill C-44 on the employment insurance reform? Is this not the issue that we should be discussing? If so, could you tell me and our viewers about the relevance of the hon. member's presentation on demographics and health problems? I suppose that people are more likely to get sick if they cannot get employment insurance benefits, but I am trying to see how this is relevant to today's topic.

Could the Chair indicate whether we are indeed dealing with the Employment Insurance Act? If so, could the Chair call on the hon. member to share his views and those of his party on the appropriateness of the changes that are being considered and indicate if his party wants more changes or less changes?

#### [English]

**The Acting Speaker (Mr. McClelland):** I was amazed to hear the hon. member for Bonaventure—Gaspé—Îles-de-la-Made-leine—Pabok refer to himself as my humble servant.

However, he is quite right that this is Bill C-44 and I was remiss, because we have been going a little astray from relevance.

If the member for Esquimalt—Juan de Fuca would care to be a touch more relevant or to at least touch base every once in a while, it would be deeply appreciated.

**Mr. Keith Martin:** Mr. Speaker, I thank my hon. colleague for being a foil to this speech because he has just come into the most exciting part of the speech, linking EI premiums and what the government has done by removing, for the member's information, \$100 billion in EI premiums from the taxpayer, from hardworking people. Our party has said for years that the government should be lowering those premiums because in effect they are using the EI premiums as a tax on business.

#### • (1645)

In the hon. member's riding in the province of Quebec I am sure many of his business colleagues are telling him that the EI premiums are too high, that the government has been taxing them through EI premiums, pocketing the money and spending it as it sees fit. It is not on the basis of need and not on the basis of putting people back to work, but saying to the public "We can live with EI. EI is an important program". What the government is not telling

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the public is that it is using \$100 billion of that money as a form of tax. Under those circumstances it hurts the business people who would love to have money to reinvest in their businesses.

Many small and medium size businesses, and most small businesses have fewer than five employees, have said to many of us that if they had more money, they could hire more people. If they had more money they could reinvest in their business and be more competitive, but the government is taking all that money from them through payroll taxes and EI is one of those payroll taxes.

My point on my hon. colleague's excellent question is that the EI premiums are too high. That is the bottom line. They are far too high. Rather than being a help to the unemployed the EI premiums are a hindrance to the unemployed and the underemployed.

As we have done for some seven years, we beg and implore that the government lower the EI premium to make it far more reasonable. If the government wants to know by how much it can ask us because we have been asking for a substantial reduction for a very long time.

Another point I want to make concerns people such as single mothers and people on welfare who would like to return to the workforce. They are actually penalized for trying to return to the workforce. We should reward those people who want to get the skills. Through the EI program, and in working with the provinces on welfare, we should make sure that money will be there to help them get a leg up. We should support them when they say they want to learn the skills to get back into the workforce but that they need daycare for their children. That is something we could do. We could help them by providing the resources so that in the long term they will get the skills necessary to return to the workforce.

Currently those people who try to return to the workforce, who are perhaps single moms, who are on welfare, who are in difficult circumstances find it very difficult to return. The system penalizes those who try to help themselves. Unfortunately many of them say it is not worth their while to get off welfare, that it is worth their while to stay on it, but they do not want to. The government should look at reasonable ways to reform the EI system rather than tinker around the edges.

The government has made a point of criticizing us on the issue of seasonal workers. It believes that raising the EI amounts that can be earned is somehow beneficial in some cases or that lowering the bar on how much one has to work is somehow beneficial. I wonder how often the government asks those seasonal workers, be they in the maritimes or elsewhere, whether they want to be seasonal workers or whether they want to work full time. I have never met a seasonal worker who did not want to work full time. I would venture to say that virtually all of the people the government spoke to would say that they want to work full time, that they want to work all year long.

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Why does the government not use the taxpayers' money wisely to provide people with the skills necessary to be employed all year long, and not just 10 weeks or 12 weeks a year but all year long? In my riding of Esquimalt—Juan de Fuca many people in the fishery have been displaced. Instead of providing moneys to enable these people to be employed and to learn other skills, much money has gone into wasted programs that have not enabled them to be employed.

In my area, as there could be on the east coast, there are great opportunities in aquaculture if they are done properly. If we look at how the Norwegians and the Chileans do aquaculture and not how the Indonesians have done it, it would provide people who have been displaced by the changes in commercial fishing with jobs in areas similar to what they did before.

#### • (1650)

I am confident that as a country we can get back in aquaculture what we had before. We can take the initiative so it is a vibrant, sustainable and environmentally safe practice and that many people in the fishery rather than hanging on by their fingernails will be employed all year long in a different type of fishing industry.

Those are the innovations we need to explore. We do not see very much of that coming from the government and I would say mostly from the Prime Minister's office. I know some of the backbench MPs have tried to give the ministers at the front good suggestions and we have as well but they have not listened. That speaks to the fact that we do not live in a democracy. The single greatest problem, the reason our EI system and so many other things have not been fixed is that we do not live in a democracy. We live in a four year dictatorship. The public has a chance to vote only once every four or five years.

#### Ms. Jean Augustine: Rubbish.

**Mr. Keith Martin:** The member across the way who is saying rubbish should bite her tongue. She knows full well that the Prime Minister does what he wants. This country is ruled by 12 people. It is not ruled by this House.

Example number one is Mount Logan. The Prime Minister decided to rename Mount Logan, so there it goes. The Prime Minister decided to use HRD as his own little basket of Santa Claus goodies. This is the situation. In spite of the fact that good suggestions have come from all members across party lines, the system is controlled by the Prime Minister's office and a couple of cabinet ministers. Most of cabinet does not have much of a say in what goes on in the country, sadly.

What a tragedy that we do not have a system that allows members to do what the public, their constituents, the people who voted for them want them to do. The central problem in Canada today, despite the importance of health care, EI, pensions and education, is that we do not live in a democracy.

There is one thing we need to do and I hope the public holds all our feet to the fire on it. We need to ensure that the House becomes a democracy again and that individual members of parliament are beholden to the public who elected them and not the leader of their party. We need to ensure that individual members of parliament can vote freely in the House. They should not be subjected to the ruthless and brutal tyranny of leaders in the House who use their power as a carrot and stick approach to reward or punish MPs who do not do their bidding as opposed to the bidding of the public who elected them.

That is the central problem in our country today. If we liberated this House, all other problems could be solved. We would be able to get ideas from the public and bring them to bear on the House in a meaningful fashion. It would involve liberating the committees so that the committee structure would be relevant, so that we could have free votes in the committees, so that parliamentary secretaries could be removed from committees, so that there is input on government bills, be it the EI bill or others.

Bill C-44 should have been sent in a draft form to the relevant committee. Then the committee and the public would have had effective input on the bill. That is what is done in Britain and in other countries.

If we were to liberate committees, hard earned and innovative ideas put forth by the public would be listened to. This could happen if bills came forward from the ministry in draft form and we removed the parliamentary secretaries from those committees, cutting the umbilical cord to the minister.

We need free votes in the House. We need fixed election dates so that the Prime Minister cannot unilaterally decide to call an election, not because it is better for the Canadian public but for his own political gain. That is why the election will be called on Sunday. It will be called for the government's political gain, not because there is an effective plan or reason for calling it. The public is a lot smarter than we are. They are going to wonder why an election has been called. They are going to ask tough questions of all of us so we had better have answers.

#### • (1655)

In closing, the bill presents a great opportunity to articulate some of the great problems this country has. There is the lack of democracy. We need to be more competitive as an economy. We need to lower taxes. We need to remove useless rules and regulations. We need to increase interprovincial trade and remove the barriers to trade. We need to make our labour laws more flexible. smack in the face. We need to ensure that the CPP is sustainable because that too is going to be unsustainable given the demographic changes.

There are many challenges, but we are lucky that this country has a great deal of talent. We only need to use it and this place will finally become a place that will work for the people and by the people rather than for the Prime Minister.

Ms. Jean Augustine: Mr. Speaker, I rise on a point of order. I wonder if there would be unanimous consent for the following order: That at 5:30 p.m. this day, Bill C-44 shall be deemed to have been read a second time, referred to a committee of the whole and reported to the House without amendment, concurred in at the report stage, read a third time and passed.

The Acting Speaker (Mr. McClelland): Is there unanimous consent for the hon. member for Etobicoke-Lakeshore to present the motion?

Some hon. members: Agreed.

Some hon. members: No.

[Translation]

Mr. Yvan Bernier (Bonaventure-Gaspé-Îles-de-la-Madeleine-Pabok, BQ): Mr. Speaker, I am pleased to have heard my colleague from the Canadian Alliance speak to Bill C-44 on employment insurance. I have two questions for him. He himself has said that we are likely headed for an election call this weekend. I trust that there will be an Alliance candidate in my riding of Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok. It appears that 2,800 new members of that party have been turned up in my riding.

I would therefore imagine that there will be a candidate and I would like that candidate to find out from someone involved in the leadership race where they found these people.

Mr. Yvon Godin: Under tombstones.

Mr. Yvan Bernier: I would really like to meet one member of their party.

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As for the seasonal workers I would like the hon. member to gives us a clear and precise commitment on, if his party were to form government, the fisheries problem in eastern Canada.

• (1700)

In January the sea is iced over. We cannot fish, the same way that we cannot pick strawberries, and, in the lower St. Lawrence, we cannot harvest peat either. This then is what raw material harvesting is about.

Would the members of the Alliance Party agree with the definition of seasonal work, which follows the course of nature? If biological rhythms require it to take place over a period of 10 weeks as, for example, in the case of lobster fishing, are they prepared to guarantee they will give lobster fishers employment insurance, unemployment insurance, since they need to eat 52 weeks a year? I would like a clear answer on that.

Second, I would invite the candidate and member present to explain why he said in his speech that aquaculture should not be developed. Some things could be done in this area.

I have come from the Standing Committee on Fisheries and Oceans. We travelled last spring to the west coast of Canada, and I came to realize that a number of Reform members of the committee more or less supported the development of aquaculture along the west coast.

I would like the members of the Alliance to tell me in no uncertain terms if they are in favour of the development of aquaculture and would take fiscal action to develop this industry, instead of simply making empty promises, because it takes more than prayers. I await their response.

Mr. Keith Martin: Mr. Speaker, I thank the member for his question.

[English]

There are two questions here. The first one deals with seasonal workers.

It is interesting to see the community we have in my province of British Columbia and la belle province du Quebec. We too have seasonal workers. We will always have seasonal workers, but there is one thing we can do. Some people who do not have full time work develop other skills that enable them to do not only their primary work but other jobs as well.

This is one place where EI has failed. It can be using that money to ensure people have other skills they could perhaps use when the waters are frozen. Many people have more than one skill that enables them to do more than one job. This is an area of innovation that the government ought to be looking at.

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On the issue of aquaculture, we can use models which would work from Norway and Chile. Norway and Chile were actually quite far behind us in terms of our aquaculture capability. However what has happened, because of a lack of innovation and the inability of companies to have money to invest, is that both Norway and Chile have acquired the innovation to take aquaculture far forward. It is quite a booming industry for them.

We need to learn from that, learn how it works well there, and employ it in areas such as the east coast and on the west coast.

#### [Translation]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I will try to be brief.

First, it is unfortunate that today, while we could have voted unanimously on Bill C-44—although I do not think the bill goes far enough—to ensure that people benefit from the amendments to the Employment Insurance Act, the Canadian Alliance voted against. It blocked a unanimous vote in the House of Commons. I want this to be duly noted for the record.

I have a question for the Canadian Alliance member. I would like him to rise in this House and tell Canadians once and for all what his leader's position is when he says, in Windsor, Ontario, that he is going to cut EI in the west, but when he visits Acadie—Bathurst, he says that he is going to save EI and that he is in agreement with people in my riding.

I would like him to rise in his place today and finally tell us the truth. Where is his leader headed exactly? He says one thing out west and another down east. Their intention is really to cut EI. That is what the leader of the Canadian Alliance has said.

I would like the Canadian Alliance member to finally tell Canadians the truth and stop trying to hedge his bets in anticipation of an election. They cannot have it both ways. It is abundantly clear that, in the west, he said that he was going to cut EI.

Earlier the Canadian Alliance member indicated that in some areas EI was not required because jobs needed to be created.

#### • (1705)

Last week in my riding the Canadian Alliance leader said "We will save the employment insurance program".

I hope the Canadian Alliance candidate is listening to my speech this evening and that he will clearly understand what the Canadian Alliance is all about. It is a party that is against Atlantic Canada because it supports cuts to subsidies, to ACOA, to employment insurance. It is an anti-Atlantic party. Just that.

[English]

Hon. Don Boudria: Mr. Speaker, there is news coming out of the other place that I think I should share with the House.

Apparently the leaders of both parties in the other House have indicated as recently as about five minutes ago that if this House was disposed to send Bill C-44 to them this afternoon before we adjourn, they will commit themselves to pass the bill before the end of the day tomorrow. That has just come to our attention now and it comes from the leaders in both parties in the other place. Having knowledge of that now, which I want to share with the House, I want to know if the House would now be favourably disposed to adopting that which was suggested a little while ago, and I have a copy of it here. I will try it again, because this is different.

I submit to hon. members, if they will just take a moment to hear it, that they might have thought that by passing this bill it would die on the order paper or not go anywhere. But this information is verifiable. It is in the *Hansard* of the other House and the hon. Senators I understand are prepared to repeat it.

Having that information, I would now seek permission of the House to propose this motion without debate. I move:

That at 5.30 p.m. this day, Bill C-44 shall be deemed to have been read a second time, referred to a committee of the whole and reported to the House without amendment, concurred in at report stage, read a third time and passed.

The Deputy Speaker: Does the hon. government House leader have the unanimous consent of the House to propose this motion?

Some hon. members: Agreed.

Some hon. members: No.

# [Translation]

**Mr. Yvon Godin:** Mr. Speaker, I rise on a point of order. It is sad that the Liberal government, which knew that it had made a mistake over the past four years, did not deal with this bill last spring and did not ensure its passage, instead of coming up with Bill C-44 at the very last minute, ensuring that it will not be passed.

People will have to go through another harsh winter and it is the government's fault.

**The Deputy Speaker:** I do not think this is a point of order, but part of the debate. We cannot have a debate on a point of order. We are in a debate right now.

The hon. member for Acadie—Bathurst asked a question to the hon. member for Esquimalt—Juan de Fuca. I believe we should hear the reply to that question.

#### [English]

**Mr. Eric Lowther:** Mr. Speaker, I rise on a point of order. In reference to the House leader's recent pronouncement to the House, we are pleased to hear that the other place is predisposed to acting quickly on the bill that he mentioned. We are glad to hear that. We do not have an official call yet of any election. If this was to follow its normal course of business, the House would be able to deal with it normally and it would proceed into the other place. It is reassuring to hear that they would deal with it quickly.

On that point, we are quite open to dealing with that bill in the normal fashion next week if he should wish to do so.

The Deputy Speaker: I don't think the hon. member has raised a point of order.

**Mr. Keith Martin:** Mr. Speaker, I just remind my hon. colleague that the reason we are in favour of EI is because EI is a program for temporary, unexpected job loss. That is what EI is for.

An hon. member: Give us a break.

**Mr. Keith Martin:** Mr. Speaker, I draw attention to what my colleague said. He should understand this because he is dealing with some people who are quite impoverished. Under Bill C-44, people who are making between \$48,000 and \$115,000 a year can still collect EI benefits.

An hon. member: Why not?

**Mr. Keith Martin:** Why not? Because what is happening is that the government is getting money from all workers, from people who are making \$25,000 and people who are making \$125,000 a year.

#### • (1710)

We do not think it is fair to give EI benefits to somebody making \$48,000 a year, \$60,000 a year or \$100,000 a year.

What we are in favour of is for those people who have unexpected, unavoidable job loss that this EI program provide income supplementation so that they can be taken care of when they are unemployed until such time as they can get their job back.

I say to any colleague in the House who can stand and look face to face with somebody making \$18,000 a year and tell them that they are paying money for somebody that is making \$100,000 a year, good luck to you because I do not think that is moral in any way, shape or form.

**Ms. Angela Vautour (Beauséjour—Petitcodiac, PC):** Mr. Speaker, what is interesting here with the Reform Party is that they keep calling it a temporary unexpected job loss. He is saying they

want something there for someone that has an unexpected temporary job loss.

A seasonal worker knows every year they are getting laid off, so what he is really saying is that his government would not have an EI program for seasonal workers because it is an expected job loss. It is a seasonal job.

The Reform Party is very clear. They would destroy the EI program. He can go to Acadie—Bathurst and he can come to Beausejour—Petitcodiac with his leader and it is clear he would destroy the EI program and have those people suffer every winter. Can he answer that?

**Mr. Keith Martin:** Mr. Speaker, I challenge the hon. member to go back to her riding and speak to some fisherman who is making \$20,000 a year with dirt under his fingernails, who is trying to put food on the table for his children, macaroni and cheese, and say to him "No, we are going to allow you to pay money to give to somebody who is making \$48,000 a year." I challenge the member to do that.

We are all in favour of helping those who cannot help themselves. We are in favour of an EI program that works to help those people who have become unemployed. Yes, we are in favour of those people who are seasonal workers receiving EI money, but we believe they can do better. We want to work with them to not only give them seasonal employment, but employment 365 days of the year if they want it.

#### [Translation]

**Ms. Jocelyne Girard-Bujold (Jonquière, BQ):** Mr. Speaker, I would like you to know that I will be splitting my time with the hon. member for Lac-Saint-Jean—Saguenay.

I rise to speak today with great regrets and much animosity toward this government. After four years of harsh cuts to the employment insurance program, which I still call unemployment insurance, the government has finally decided to soften its policy and hand out some goodies. Yesterday, with its mini-budget, it has handed out some goodies: caviar to those with more than \$250,000, peanuts to the middle class. To the least advantaged it has said "Come back another time, we're all out".

The government is about to call an election, it seems, because everybody is saying "So long, see you later". I presume the people across the way are in the know. With Bill C-44, the Liberals have proposed some timid measures that are not in line with what workers need.

In my region of Saguenay—Lac-Saint-Jean, thousands of people have protested against the cruel policies of this government's system of wealth distribution.

I am, moreover, convinced that the Minister of National Revenue could testify to that. When he came to our area last week, he did not stay two minutes in the Saguenay. He had to pack up his bags and head back.

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Hon. members can see what this government is up to at the present time with funds that do not belong to it, since it is not the one making the contributions.

• (1715)

It does nothing, but takes the kitty and then creates laws that say "You there will have some; but you will not have any under certain conditions". The people at home are too proud. They have said this to the Minister of National Revenue, who will be coming back tomorrow.

I warn the people of the Saguenay—Lac-Saint-Jean region that he will be with us tomorrow. Do not forget to repeat to him what you told him last week. What they are doing with your money is unacceptable.

The money in the employment insurance fund—I still call it unemployment insurance—belongs to the workers of the Saguenay—Lac-Saint-Jean region, of Quebec, of all the provinces of Canada. I think it is theirs. Why does this government ignore that? Contrary to what the Bloc wants it to do, it does not acknowledge that there should be an independent fund administered by workers and employers. These people know what is needed.

Mr. Speaker, let us imagine that you have taken out fire insurance and car insurance. Imagine what would happen if your insurer said to you after an accident "It is too bad, I am changing the conditions. You have signed this, but today conditions have changed". You would not accept that. This is exactly what the government is doing.

It says everyone agreed to pay into a plan in the event they lost their job, but it says "No, you may well have paid, but I am going to do what I like with it". I say they are stealing it, I am sorry, that may be a bad word, but it is the fact of the matter. It is helping itself to this huge fund. Even for the next fiscal year, there will be a \$7 billion surplus in the fund. And the government will again take that surplus.

In Bill C-44, the government had the nerve to make a minor amendment, which I want to tell you about. In one clause, the government wants to divert and use for its own benefit the surpluses in the employment insurance fund, even though they do not belong to it.

In the past, it was the employment insurance commission that set the conditions. The act used to state that, for each year, the commission sets, with the approval of the governor in council, on the recommendation of the minister and the Minister of Finance, the rate which, in its opinion, is best suited to ensure an adequate income during an economic cycle.

It will no longer be the case. Now, the government will set all the selection criteria. It will decide which rate to apply and it will not be accountable to anyone. When Cabinet is involved, everything is always confidential. This is what the government wants to do with the employment insurance fund. No, we will not let them do that. People will never agree to that.

In my region, there are seasonal workers. What we are asking for, and what I would have appreciated, is for a clear definition to be included in the Employment Insurance Act of what a seasonal worker is, with a degree of flexibility. But this does not bother them at all. They do not pay employment insurance with their big salaries.

I do not understand. Surely they must have seasonal workers in their ridings, just as you do, Mr. Speaker. You do not have problems with seasonal workers? Perhaps the climate is different from what we have in eastern and central Canada. You may have better weather than we do.

There will always be seasonal workers who have to contend with what nature sends them. I would like a definition of seasonal worker. That would help.

I personally have never known anyone receiving EI who wanted to. People want to work, but when they have no job and there is no training to help them find other work, they have no choice. That is what is wrong with this system.

• (1720)

For three and a half years now, I have been listening to lofty speeches about Canadian principles and values, about great Liberal values. Strangely enough, these speeches never bear any connection with the everyday reality of ordinary people.

A few months from now, 250 older workers in my riding are going to lose their jobs. How many years have we been asking this government to restore passive measures to help these workers? And what does the government say? It says that they will have to be retrained.

When people have worked hard in a factory for 35 or 40 years, at the expense of their health, and are reaching 55 or 60, they do not have enough money to retire. These people would like to leave and make way for young people but they cannot. Their health is gone.

We are asking this government to have some compassion. But what does it say? It tells us to retrain these workers and stick them somewhere else. Where, I do not know. Or it says that they should be mobile and go elsewhere in Canada. That is easy to say.

I have heard senior officials who appeared before the Standing Committee on Human Resources Development and the Status of Persons with Disabilities. I think they have a direct line to the values that drive the Liberals. They have no compassion. They do not know what ordinary people are really going through.

I come from a region where people are proud, and we have had enough of this nonsense. It will no longer wash with us. Let the Liberal and Canadian Alliance candidates in the ridings in our area take note: they will never again pull the wool over the eyes of people who have taken steps to improve their lives. It is painful to see what is happening in Canada at this time. We saw it in yesterday's mini-budget; we see it in this bill. We must put a stop to it; we must think about the people. The real people are the people who vote for us, not big businesses, not lobbyists. The real people are the workers, the ones who have family responsibilities, the ones with hearts.

We must remember that women are the ones with precarious jobs. This government has the nerve to pass a motion in support of women's demands. Then yesterday there was nothing in the Minister of Finance's mini-budget for them.

They do not recognize the value of women. We know that 52% of voters are female. Being a woman, I am proud to say that the demands the women made were very much a reflection of today's reality and that we must move forward.

But government members did not get it, just as they did not get this matter of employment insurance. These goodies they want to give us have no relationship to reality.

I say to them to go back to their books. When they have done their homework, and when they have let people tell them what they really want, then we will talk.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I congratulate my colleague on her speech to the House.

#### [English]

I know she is very passionate and understands this issue very well. Unfortunately there are many who do not.

The reform alliance speak very often about those who make a great deal of money, more than a healthy income, who then access employment insurance. If those members read the rules and understood the dynamics they would understand that there was a clawback that did not create this anomaly.

My question for the hon. member is on two fronts. With respect to what the government has done, this cynical attempt to change the system that it broke, to somehow try to fix the harm that it created when these changes were made and these arbitrary rules came into effect that affected seasonal workers in such a terrible way, it created a black hole. Seasonal workers do not have a choice. They do not put themselves in the position of being in an industry that does not give them employment 12 months of the year. Given the opportunity, any seasonal worker that I have come across would like to work for a full year.

What has happened is that the system has changed. It has created a black hole. When workers run out of work and run out of EI they are left with no way to feed their families.

#### • (1725)

We heard comments from the reform alliance saying that any motivated, inspired person from the maritimes will move to Toronto. That lacks a great deal of understanding and insight.

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On this issue alone, the reform alliance and members of the party have flip-flopped several times like a fish out of water. We know they are fish out of water when it comes to understanding issues in the maritimes.

The government is now in the cynical position where it is trying to rush this bill through. This is the last minute piece of legislation that it wants to get through. It is dangling it in front of seasonal workers who have been affected by the EI changes. It is holding it in from of them like an ice cream cone, pulling it away and saying that somehow the opposition is to blame for this. The government had ample time to get this bill through if it was a priority.

Why does the hon. member think the government would do such a thing? Why is it that this is such a low priority for the government? Does it have anything to do with the pending election? Is that the only reason the government would try to do this, to buy back voters with their own money?

#### [Translation]

**Ms. Jocelyne Girard-Bujold (Jonquière, BQ):** Mr. Speaker, I thank the Progressive Conservative Party member, as I find his question very appropriate.

This is indeed a cynical government. Does anyone know what cynicism means? To be cynical is to do things to get people to believe things, as if to say "I think it is perfect, but you deserve nothing". That is the Chrétien government. They wanted—

**The Deputy Speaker:** Order, please. The hon. member may not refer to a member by his name, I know she meant to say the government of the hon. Prime Minister, did she not?

**Ms. Jocelyne Girard-Bujold:** Pardon me, Mr. Speaker. In my enthusiasm, I let my anger with this government carry me away.

This Liberal government says "I like you, worker, here, have some candies". The public in Canada cannot be fooled. They can see it is ironic, cynical, and they will never understand why it is in such a hurry to give them any old treats. This is a government of goodies.

#### [English]

**Hon. Don Boudria:** Mr. Speaker, I rise on a point of order. I tried to move this motion earlier today. I know we are in the last minutes of today's sitting. Therefore I want to raise this issue again of trying to get unanimous consent to pass this motion.

I want to repeat to all hon. colleagues, because I know some members are perhaps discussing this issue among themselves, that the Senate has officially indicated on the record in *Hansard* that if we pass this bill today in the House, it will pass it tomorrow and it will be assented to tomorrow, to give Canadians the much needed assistance that this bill will provide.

#### Adjournment Proceedings

Therefore I would seek unanimous consent to move that at 5.30 p.m. this day, Bill C-44 shall be deemed to have been read a second time, referred to a committee of the whole, and reported to the House without amendment, concurred in at report stage, read a third time and passed.

I ask all hon. members one last time to agree to this motion.

**The Deputy Speaker:** The House has heard the proposal of the hon. government House leader. Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

[Translation]

**Mr. Yvon Godin:** Mr. Speaker, I do not understand. We have been here for three and a half years and the Liberals waited until the last minute to pass a bill.

If they were really serious about the plight of seasonal workers in our regions, why did they not introduce this bill a month ago? They had the majority to pass it, instead of trying to blame the opposition for saying no.

This is regrettable and even disgusting.

**The Deputy Speaker:** I believe this is not really a point of order, but these things sometimes happen in the House.

# **ADJOURNMENT PROCEEDINGS**

• (1730)

#### [English]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

The Deputy Speaker: Before I call on the first member to speak on this evening's adjournment motion, may I just express on behalf of the other chair occupants and myself our appreciation for the co-operation of all hon. members throughout this parliament and say that if we do not get together next week, very best wishes to all hon. members.

#### TRANSPORTATION

**Mr. Bill Casey (Cumberland—Colchester, PC):** Mr. Speaker, I am certainly pleased to rise on this question again.

On May 15 I asked about a program that the government invented to provide \$175 million for rural roads in the west. My question was simple. Will the government provide a similar program for the east?

In the east we have an inconsistent hodgepodge of programs. I point out the inconsistency and the unfairness in the way the federal government provides highway dollars in Atlantic Canada. Newfoundland will get \$105 million for highway money this year and next year alone. New Brunswick will get \$102 million this year and next year alone. Nova Scotia will get zero, not a penny in highway money under a federal-provincial agreement. It points out how unfair the government's policy is toward the provinces and how it distributes the highway money so unfairly.

As a result Nova Scotia ends up by having the only toll highway on the Trans-Canada Highway in the entire country. It is forced to do this because highway money is not distributed fairly or equally. If we had some of the \$175 million for rural highways that the government just announced for the west, or if Nova Scotia had some of the money that Newfoundland received or some of the money that New Brunswick received, we would not have a toll highway. Because the federal government is so inconsistent with their money, Nova Scotia ends up with zero.

In Nova Scotia we have damaged highways and dangerous highways now. The Tatamagouche to Truro highway needs to be completely rebuilt and upgraded. Amherst to Parrsboro is a mess. Ecum Secum to Guysborough is another important one, but the Amherst to Parrsboro highway is a rough road. We are trying to generate tourism business and they will not even come any more. When we look at the numbers they show such a terrible inconsistency, a terrible imbalance, a terrible unfairness.

Will the Minister of Transport change his mind and be a little more fair? I am not even asking for \$175 million for Nova Scotia but I am asking for fairer treatment. The minister has given \$175 million to the rest. He should give Nova Scotia a fair amount, something like Newfoundland received or something like New Brunswick received.

Will the Minister of Transport treat Nova Scotia fairly and allow us some highway money this year and next year in the same way as he did for Newfoundland and New Brunswick?

Mr. John Maloney (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the government appreciates the opportunity to correct the impression left by the hon. member's question, namely, the Atlantic provinces are not receiving their fair share of federal highway funding.

I remind the hon. member that the \$175 million referred to was for improvements to the grain roads in the four western provinces

# 9319

as part of the grain handling and transportation reform announced on May 10. To suggest that the Atlantic provinces need an equal program ignores the numerous programs that we have put in place for Atlantic Canada.

The government established the Atlantic freight transition program which provided the four Atlantic provinces and Quebec highway funding of \$326 million between 1995 and 1996 and 2000 and 2001.

Under the auspices of the highway improvement program the federal government committed to allocate \$462.8 million to New Brunswick and Nova Scotia to fund highway projects. A balance of approximately \$100 million remains to be spent in New Brunswick.

The government also contributed \$43 million to New Brunswick and P.E.I. to assist with the additional highway contribution associated with increased traffic due to the construction of a fixed link.

The province of Newfoundland and Labrador continues to benefit. The Newfoundland transportation initiative provides \$640 million over five years from 1997-98 to 2002-03 for major improvements to the Trans-Canada Highway and to regional truck roads following the termination of the Newfoundland railway.

All provinces also receive funding for the strategic highway improvement program. It allowed the federal government to invest \$515 million between 1993-94 and 1999-2000 in highway projects all across Canada.

In the 2000 budget speech the Minister of Finance announced over \$2 billion for municipal infrastructure and \$600 million for highways.

• (1735)

Federal-provincial-territorial agreements for Infrastructure Canada have recently been signed with several provinces. Negotiations are still under way with other jurisdictions and it is hoped that agreements will be signed shortly.

The formal negotiation process for highway infrastructure has not yet begun. Funding for the strategic highway infrastructure program only starts in 2002-03 and the program design is under development prior to the start of negotiations.

#### GUN REGISTRY

Mr. Garry Breitkreuz (Yorkton—Melville, Canadian Alliance): Mr. Speaker, on June 14 I asked a question in the House and the government has still failed to answer it. It was a simple question.

In 1995 the justice minister promised the Liberal gun registry would run a deficit of only \$2.2 million over five years. In the year 2000 the current justice minister delivered a deficit of at least \$308 million.

#### Adjournment Proceedings

The facts are available in black and white, written in the justice department documents tabled in the House in 1995, written in financial spreadsheets provided to me under access to information earlier this year and in a letter written by the Minister of Justice published in the Toronto *Star*.

One of only two justice ministers is responsible for making this \$300 million mistake. Canadian taxpayers want to know who is responsible. Why did the government ignore our party's warnings about its low ball cost estimates? How did the government allow this waste of hundreds of millions of dollars to occur?

Two weeks ago in the House the Parliamentary Secretary to the Minister of Justice only added to the confusion with a totally inaccurate statement about the costs of the gun registration scheme. On October 5 the parliamentary secretary stated that "The benefits of this program represent an investment of \$2 per Canadian for the past five years".

I have known grade 4 math students who are better at arithmetic. How did the justice minister's parliamentary secretary arrive at this bogus number? Before he answers, I will give him the real numbers so he can do the arithmetic himself rather than rely on the crooked calculators in the minister's department.

Spreadsheets from the justice department show gun registration costs for the first five years at \$324.7 million. If we divide that amount by 30.5 million Canadians, Statistics Canada population estimates for 1999, it equals \$10.65 for every Canadian, not \$2 per Canadian. That is more than five times the untrue figure the parliamentary secretary told the House on October 5.

Why did the justice minister mislead parliament about the true costs in 1995? Why did the parliamentary secretary mislead the House only two weeks ago? Why did the current justice minister mislead Canadians when she wrote the Toronto *Star* on July 19, 1999, saying "User fees would cover the entire cost of the gun registry program?"

On September 11 the Department of Justice sent me a response to one of my access to information requests which said that as of August 11, 2000, " the total amount of revenue received by the receiver general in respect of fees imposed under the Firearms Act is \$17,139,993".

In the same access to information request the department estimated that the Liberal gun registry project owed \$1.2 million in refunds to firearms owners. No wonder the minister and her PR staff have quit saying that user fees will cover the entire cost of the program. She came up more than \$308 million short over the first five years.

How much is the gun registration scheme costing taxpayers this year? So far the officials in the justice minister's office have refused to respond to my access to information request. They have

#### Adjournment Proceedings

even refused to provide their proposed budget allocation as they have in previous years. Why?

The minister's officials are even stonewalling the investigator from the Office of the Information Commissioner. The investigator informed my office last week that when he examined the department's firearm registry project files there was no—

The Deputy Speaker: I regret to interrupt the hon. member, but his time has expired. I also understand that he has suggested that some hon. members misled the House. I know he will want to withdraw any such allegation.

**Mr. Garry Breitkreuz:** Mr. Speaker, I would not want to impugn motives to anyone. I withdraw that comment, but I feel the figures and the statements that were made were misleading.

#### • (1740)

Mr. John Maloney (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I very much appreciate that. I rose on a point of order to bring that to your attention. He also referred to the minister's crooked calculator. I think he should withdraw that as well. However I will respond and you, Mr. Speaker, can deal with that accordingly.

I have been clear about the cost of the firearms program. I said publicly that we have spent a cumulative total of \$327 million on the program between 1995 and March 31, 2000. The government of Canada is responsible for this program and is proud not to have been shirking any of its responsibility concerning this major public safety initiative.

The government is accepting its responsibilities, including its financial accountability. It would be refreshing if the members opposing this valuable legislation would accept their responsibility for playing a positive role respecting the public safety of all Canadians.

As of October 14, we have more than 1.3 million Canadians who hold or have applied for licences under the legislation. More than 1.6 million firearms are registered. Since December 1, 1998 more than 959 licence applications have been refused for public safety concerns and 1,207 licences have been revoked from individuals deemed not to be eligible to hold a licence because they pose a safety risk. The number of revocations are over 20 times higher than the total of the previous five years.

The problems that I acknowledged with our start-up in the spring are now well in hand. We have an aggressive program in place to deal with providing enhanced service to Canadian firearms owners. Elements of this include the following. We have been providing face to face assistance to help people to complete their applications for licensing. We have drastically simplified our forms. We have implemented processing and system efficiencies throughout to provide better service to Canadians more quickly. We have enhanced our call centre services to provide better and faster individualized assistance. At the same time as we are providing better service to firearms owners, we are providing better public safety to all Canadians. We are now able to background checks before any legitimate firearm sales can proceed.

We have had good results from these initiatives. Our outreach programs have contributed to over 528,000 applications and the numbers continue to increase. Our advertising program has been appearing on prime time and specialty TV, in national and ethnic press and on radio consistently reminding owners of their—

The Deputy Speaker: I am sorry to interrupt the hon. member but his time has expired.

#### COMMUNICATIONS

**Hon. Charles Caccia (Davenport, Lib.):** Mr. Speaker, on September 19 I asked the Minister of Industry whether the competition bureau would investigate recent media mergers. At the time the minister replied that these mergers were reviewable under section 92 of the Competition Act but he did not indicate he would request an investigation be launched.

These media mergers are becoming a matter of concern to Canadians and let me explain. In July CanWest-Global Communications Corp. of Winnipeg acquired more than 200 Canadian publications as well as half of the *National Post* from Toronto based Hollinger Inc., combining them with its Global Television Network.

The announcement came just a month after CanWest had bought the television assets of WIC, Western International Communications Ltd. Then in September Montreal based publisher Quebecor acquired Quebec's largest cable company, Groupe Vidéotron Ltée, also of Montreal, for \$4.9 billion. On September 15 BCE Inc., the Thompson Corporation and the Woodbridge Company announced the creation of a multimedia company that would combine CTV, the *Globe and Mail*, Globe Interactive, an Internet content provider, and Sympatico, an Internet portal. The result is the boundaries between print media, broadcasting, the Internet and telecommunications companies have been blurred so much that the industries are now virtually indistinguishable.

The CRTC held hearings on September 18 on BCE's change of ownership application. The decision is still pending. The CRTC's mandate is to regulate broadcasting and telecommunications in the best interest of the Canadian public. It is trying to deal with these multiple mergers and the rapidly changing technology. But while the CRTC regulates broadcasting and telecommunications, it does not have a say about newspapers or the Internet. All three media mergers include both newspapers and Internet services as well as broadcasting. The CRTC in reviewing the BCE-CTV transaction asks broad questions about its impact on the broadcasting system and on Canadian content, but it does not address whether these transactions result in convergence in the Canadian market.

#### • (1745)

In light of these mergers, we can define convergence as crossownership of newspapers, television stations and Internet assets, plus possibly a giant phone or cable company.

Clearly it is the competition bureau's responsibility to maintain and encourage fair competition in Canada. It can determine whether these mergers result in lessening or prevention of competition in the marketplace. It is clear also that such massive concentration of power in the media is detrimental to the public interest.

Again, I would like to ask the minister through his parliamentary secretary whether he would launch a comprehensive investigation in the public interest.

Mr. John Cannis (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, let me thank the hon. member, my good friend from Davenport, for his question.

As well as the hon. member, a number of members in this House have received expressions of concern from the public about recent proposals outlined for mergers that could lead to increased media concentration in Canada. I am referring in particular to the recently announced proposal of CanWest to acquire control of Hollinger Corporation as well as the proposed BCE/Thomson and Quebecor/ Vidéotron transactions.

I would like to take this opportunity to mention to the member and to the House that the competition bureau has primary responsibility to review mergers in order to determine whether they will have an anti-competitive impact in our country.

#### Adjournment Proceedings

I can assure this House and the member that if serious competition concerns dealing with matters such as price or other economic issues are identified, the bureau will not hesitate, and I emphasize that, to immediately take appropriate action under the Competition Act to remedy these concerns.

The competition bureau is an independent law enforcement agency. As part of its analysis it will rely upon factual information brought to its attention by market participants as well as the input of industry and economic experts. These matters are assessed on a case by case basis and it is impossible to make any generalizations about the possible outcome of the bureau's review.

A fair, efficient and competitive marketplace indeed provides consumers with lower prices and greater product choices and it of course encourages companies to innovate and to offer new products.

Obviously many mergers also have a positive impact on the marketplace. However, there have been a number of well-publicized mergers in recent months, as the member very eloquently stated, where the competition bureau has found it necessary to intervene in order to remedy these issues that have come before us. These have involved major industries such as groceries, waste, propane, tobacco and cement—

The Deputy Speaker: I regret to interrupt the hon. member, but the time has expired and, as he knows, the rules in this regard are very strict.

# [Translation]

The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 5.48 p.m.)

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