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Thursday, February 3, 1994

Speaker: The Honourable Gilbert Parent

HOUSE OF COMMONS

Thursday, February 3, 1994

The House met at 10 a.m.

Prayers

[*English*]

HOUSE OF COMMONS

The Speaker: My colleagues, you may have noticed this early in the morning that we have a new mace on the table. This wooden mace was used when the House of Commons, the Centre Block, burned down in the fire in 1916. Every year on this date we commemorate the date of the fire by using this mace.

As we were walking down I heard someone say: “No, we did not melt down the old one, we do have it and we are going to bring it in tomorrow”.

This is to remind us that things get a little bit hot in here sometimes and we have to know we can survive and take the heat.

[*Translation*]

We are all here together as Canadian citizens and it is very important that we work together for the well-being of all our people.

[*English*]

That is what the mace represents and I just wanted to bring it to your attention.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

CHILD CARE

Mr. Ronald J. Duhamel (Parliamentary Secretary to Minister of Public Works and Government Services): Mr. Speaker, I have a petition pointing out that single income families with special needs children have not only a unique challenge but incur extra expenditures in raising their child or children.

Often one or other of the parents have no choice but to stay at home. Frequently the children must be sent to specialized day care centres incurring extra costs, sometimes significant extra costs.

These petitioners believe that the current system of taxation is unfair to them. They would like a review by the government of this particular situation as it looks at all of the difficulties and the unfairness that exists in our tax system.

THE CONSTITUTION

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, it is my duty to present a petition on behalf of more than two dozen citizens, most of whom live in my riding of Winnipeg—St. James. Pursuant to Standing Order 36 the document has been certified correct as to form and content.

The petition reflects the concern these people have regarding the language policy of the federal government. It proposes a referendum on the issue. This would be a national referendum involving all electors in the provinces and territories.

I humbly present this petition to Parliament for its due consideration.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Speaker: Should all questions be allowed to stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

SOCIAL SECURITY SYSTEM

The House resumed from February 2 consideration of the motion.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, the motion before the House asks the House of Commons and a committee of the House to study, analyse and report on Canada's social security system. As a matter of fact, it asks that we study the modernization and restructuring of the social security system with special reference to the needs of families with children, youth and working age adults. It is commendable

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that we study, analyse and revisit our social programs, our income support and income replacement programs. However I want to remind the House and the minister that there are some things we should keep in mind. We will encounter serious difficulties in doing this examination of our social security system.

(1010)

I want to remind the House that this was done with some intensity in the 1970s when the Hon. Marc Lalonde was the Minister of National Health and Welfare. A very serious attempt was made to rationalize and bring up to date our social security system. While some good improvements were made at that time, some of the simplistic approaches that were first suggested were found not to be workable.

We have different types of social security systems. We have those where the payment is universal and comes out of our general tax revenue, for example the old age security system. We all pay into it in varying degrees through our progressive tax system but at age 65 we all receive the same payment no matter what our income is. On top of that we have the guaranteed income supplement which pays additional amounts to people who do not have other sources of income, who do not have private pensions or RRSPs or whatever. That is one kind of social security support system where the payment is the same to all individuals. I am talking about old age security which is paid for through the general tax system.

We have other types of programs such as unemployment insurance and the Canada assistance plan. Depending on our income we pay in varying amounts. If we have lower incomes we pay in less. If we have higher incomes we pay in more. When we collect we receive more if we have paid in more and we collect less if we have paid in less.

The principle behind it makes sense. The highly skilled worker who pays the top premium because he has a higher income will have made commitments and entered into debt for homes, cars, household appliances. When unemployed he still has to meet those higher commitments so he gets a higher payment. But he has been paying in at a higher rate.

It is the same with the Canada pension plan. If we have paid in at a higher rate we get a higher payment at the end but it is usually because we have been living at a higher standard of living. Usually the rent, mortgage and other payments are higher and when we retire or are unemployed we need that.

When they tried to rationalize all these systems back in the 1970s they found that to put together a flat payment system with the systems that were based on varying contributions and

varying payments was not an easy task. As a matter of fact they were not able to do it. I bring that to the attention of the House.

Some programs are geared to meet the types of debt and commitment we have made while we are working. When we become unemployed or when we retire or when we are forced to leave work because of injury or disability we need payments that will meet that type of commitment.

For example we do not want skilled workers to have to sell their homes simply because they are unemployed or because they are retired. To suggest we should have one payment for everybody no matter what they have been doing when they were working does not make sense. It could drive a lot of people into poverty and that is not what we want to do.

I want to refer also to the unemployment insurance system. There has been some suggestion that, and I do not know whether it goes that far, in order to collect unemployment insurance one should be obliged to participate in training programs or in some type of community work or whatever.

First let us deal with the training programs. It is a fact that a good number of our unemployed are highly trained already. They are skilled. They are machinists, electricians, architects, professional people and trades people with highly skilled trades. Their problem is not training, it is the lack of jobs. To suggest the solution to all our problems is to simply retrain or upgrade everybody is not correct.

(1015)

It is true a large number of people cannot find work because their trades are out of date or they have no trade whatsoever or they are illiterate. Those are the people we have to train and make competitive with the people in the United States, Europe, Japan. I fully support that. However, let us not overdo it and suggest that the total solution is to retrain everybody. Many people come to my office and probably to my colleague's office every day who are trained but their problem is jobs, not training.

We hear another suggestion on the street. It is terrible these people are on unemployment insurance and they should be made to do some kind of work until they get a job. One of the major tasks of the unemployed person is to look for work. It is a time consuming undertaking. If unemployed people are serious, and most of them are, they spend a lot of time going for interviews, searching the newspapers and writing letters. They want to get back to work in the field in which they are competent.

Let us be careful so that this sort of work fair is not overdone. To put to work or in training programs as a condition for receiving benefits certain young people who are in good health but have no training is fine, but let us be very careful that we do not overdo it.

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I want to remind the House and my own party that in the two previous parliaments we savagely attacked the Conservative government for the amendments it made to the unemployment insurance system, amendments that made it more difficult to qualify and amendments that reduced the benefits. In a previous set of amendments, it increased the penalty for those who quit or were fired without cause, as defined in the act, up to about 11 or 12 weeks. This was quite a considerable increase in the penalty.

In the last round of amendments in 1993 the Conservative government took away all benefits from people who had quit their jobs for serious reasons but could not meet the definition of just cause in the act. It was the same with those who were fired, according to the bosses for just cause, but which was very often in the mind of the employee not a just cause. It was simply a case of harassment or trying to get rid of those people with trumped up charges against them.

We questioned the minister at that time. We said: "Well you just amended the act a couple of years ago to increase the penalties from six weeks to twelve weeks"—or whatever it was—"and now you are completely eliminating any benefits at all. You are going to a very extreme penalty without ever really testing the penalties that you put into place a few years ago".

We attacked those sorts of things. We attacked the government for totally removing the \$2.8 billion that the government used to contribute to the unemployment insurance fund. Prior to those amendments in the last Parliament, the Government of Canada always contributed to the fund after the unemployment rate went over a certain level. The other contributions to the fund came from workers and from employers. It was a three way contribution: the employers, the employees and the Government of Canada. The Government of Canada then withdrew its contribution of \$2.8 billion and put the entire burden on workers and employers. The rates went up. They were another form of taxation. We were very critical of that. We said that was not the way to do it.

(1020)

What happened is by doing these things to the unemployment insurance system, by cutting back the benefits, by making it more difficult to qualify, by throwing people out of work without any benefits whatsoever in some cases, it simply shifted the burden to take care of those people to the provinces and to the municipalities. When people do not have work and they cannot find work someone has to support them. We are not living in a cruel, inhumane society. We do not let people starve to death. What happened was the provincial social security systems had to pick up those people and take care of them. In Ontario and Nova Scotia the cities had to and they could not afford it. It was simply a shifting of the burden.

I am trying to remind the House and my party that I fully support this re-examination of social security. However, I am also reminding them that we have to be very careful in not overdoing it to the extent that we are cruel, inhumane, insensitive, unfair and unjust.

Let us study, let us recommend, let us save money if we can through a better delivery system, let us eliminate duplication. Let us not take benefits away from those who worked for years and years, built this country and contributed to funds, such as the old age security fund. Let us not take benefits away from those who worked and contributed to unemployment insurance. Let us not make our workers slaves of their bosses.

Let us be consistent, I say to my own party, with what we said in opposition. Let us be consistent with what we said in the campaign. Let us be credible. Let us be fair, just and compassionate in this country.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Mr. Speaker, I listened to the speech by the hon. member for Notre-Dame-de-Grâce, an excellent speech by a 28-year veteran of this House who is very experienced in parliamentary matters and also very knowledgeable about Quebec, since he comes from Quebec.

However, there is something that surprises me. I have been a member of Parliament for nine and a half years, and from time to time people have come to my office with serious problems caused by inconsistencies—we have mentioned this before—in the area of manpower and training programs. In fact the situation is far worse than we think.

I would like to mention one example I think is absolutely inhumane. Some people who were on unemployment insurance after losing their jobs were taking courses funded by the federal government. These people, who were between the ages of 30 and 45, had decided to finish their fourth and fifth year of high school in order to graduate. They were in fact encouraged to do their third, fourth or fifth year. Unfortunately the unemployment insurance regulations are inconsistent with the rules of the Quebec school commission. For instance, these people had to take classes during the summer to finish their course. The Unemployment Insurance Commission told them they could not stop working or stop taking courses for more than two weeks.

As everybody knows, in Quebec, because of the unions and the government, teachers have to stop for a month during the summer, which meant the courses were automatically cancelled. Most of these people had almost finished their courses but they could not continue because Quebec's regulations were not consistent with Ottawa's. As a result, these people who had

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worked very hard for one, two or even three years were penalized, because if they wanted to continue later on, they would have to pay for the courses themselves.

Now this is an incredible example. It is inhumane, when you consider the time and effort involved. I would like to ask the hon. member who is an experienced politician whether as a member from Quebec, he intends to work on this issue and ensure that manpower training is transferred to Quebec as soon as possible, so that Quebecers can take their courses and keep their dignity as human beings and also save some money. The duplication and inconsistencies make this system truly inhumane. Does the hon. member, as a member from Quebec, intend to ensure this problem is dealt with once and for all?

(1025)

[*English*]

Mr. Allmand: Mr. Speaker, I fully agree with the hon. member that there are provisions now in the Unemployment Insurance Act that are ridiculous and have to be changed.

One of them is the provision that we had historically that one had to be ready and available for work at all times in order to collect benefits. That meant that somebody who took a course was not ready and available for work because they were studying during the day. Those studies were essential in my view and in the view of many people to prepare that person for a job.

There were amendments a few years ago that allowed people to do study programs while they were on unemployment insurance but unfortunately one needs the permission of the unemployment insurance officials to do that. That permission is not always given. In my view it should be almost automatic.

I also said in my remarks that I am fully in agreement with taking steps to eliminate duplication between the provincial programs and the federal programs to get rid of waste in the delivery systems and so on. I would hope as a Quebecer that we could reach an agreement between Quebec and Ottawa to eliminate the inconsistencies between the federal unemployment insurance program and the provincial welfare system.

The elimination of the duplication is essential. The provinces should have prior jurisdiction in matters of education and training. That was the position put forward in the Charlottetown accord. Consequently we have to work out agreements that will satisfy the provinces in this matter and stop the fighting between the federal and provincial levels. We have to make sure that we have programs that are efficient and meet the situation that was put forward by my good friend from Longueuil.

Mrs. Sharon Hayes (Port Moody—Coquitlam): Mr. Speaker, on behalf of our caucus co-ordinator I would like to advise the House that our party will be dividing the speaking time in accordance with Standing Order 43.

It is with a great deal of pride that I stand to give my first address here today as I join with my fellow MPs in this place of history and decision. This country, of which we are proud citizens, has given to us the responsibility to guide the direction of the ship of state in the next several years. The responsibility is awesome indeed. There are many potential dangers ahead in the presence of existing cracks in our vessel. Each of us in this Chamber will play a role in the challenging task to bring Canada to its port of safety.

It is my honour to have been elected to serve the people of Port Moody—Coquitlam. On the north side of the Fraser River on the outskirts of Vancouver we enjoy the beauty of the mountains and the temperate climate of the west coast.

As one of the fastest growing districts in Canada we are blessed with five thriving communities. Families from all nationalities and backgrounds have chosen to call this area their home. With its central location in the beautiful Fraser Valley so much of the employment and customer pool of this lower mainland is within easy reach. Originally containing the western terminus of the rail line in Port Moody, we now host a myriad of small businesses complimented by a busy port and rail connections.

I must pause and thank my family for its part in allowing me to take this responsibility. I have always made by husband and my two girls a very real priority and it was concern for them that crystallized my political choices. As I am sure every MP can already testify, this task that we are taking on demands sacrifices of both time and energy. Doug, Carolyn and Kathy, I want to thank you from the bottom of my heart for your love, support and understanding.

A sincere thanks to all those who voted for me. A special thank you to those who worked so hard in my campaign leading up to the election.

It is especially important to me to recognize that it is the people of Port Moody and Coquitlam who sent me here to represent them regardless of political stripe. I will honour the trust they have given to me, an ordinary citizen, to be their eyes and ears here in Ottawa and I will speak out for them on issues that affect their homes and our community.

The people of Port Moody—Coquitlam have told me that our country needs healing. Canada is critically ill with a half trillion dollar federal debt.

(1030)

This one fact alone dictates the treatment for so many of its other complications. Where are the sore spots? Government policies are affecting the people I represent in real ways. It is not ink on a line, it is people and their families in their daily lives, their ability to find work, their sense of security, their openness

of heart to new ideas from around the world. That is what I want to talk about.

In Port Moody—Coquitlam one sore spot becomes apparent as we talk about roads and transportation systems, infrastructure, if you please. Our unique area is understandably one of the fastest growing municipalities in all of Canada. Coquitlam alone is projected to double in size by the year 2021. Even today traffic is in gridlock. The history of non action is too complicated to address here but even the federal government has a part in it.

Campaign promises of a previous losing government have made an equal provincial–federal cost sharing program a political football. Hope still exists for \$16 billion or, better yet, equal funding for what is now a \$120 million rail proposal.

What is our government's response? I ask not for more spending but about some of the areas in which expenditures are deemed more worthy than others. What makes these areas? Let decision making bodies such as the infrastructure panel include representations from those most affected by its decisions, elected representatives from all three levels of government. Who better than the municipalities themselves to best represent their own needs?

Sore points two, three and four would be taxes, taxes and taxes. When will the government realize that Canadians are fed up with its spending and borrowing and the taxes that go with it? I have talked with many small business owners from the tire dealer forced to reduce staff from 25 to three, to the community minded hotel owner who sees perspective investors come and leave, scared off by increased tax burdens. I have talked with family wage earners frustrated and plain mad that they cannot make progress.

This government talks about jobs. Careers and family income come from secure jobs within small business. It is folly for government in the name of fairness to tax away the job creators. The removal of capital gains or RRSP deductions and higher or broader tax bases will force more of our job creators across the border or out of business if they come here to start with.

Higher taxes on the individual put more pressure on families. Government spending must be reduced, not taxes increased, to help job creation. Jobs will be there by letting business do business.

What of those who need special help? Those who need the social programs of which Canadians are so proud? There is an infinite distance between the theory we see in some bureaucratic descriptions and the reality in our homes and on our streets. The social safety net does not need cutting, it needs to be saved from

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self-destruction, to be there for those who really need it. We must bring social programs back to their original purpose.

Unemployment insurance was originally designed to give temporary support for unexpected job loss. Welfare was there to support those who could not support themselves.

Take the sore point of unemployment insurance. In case number one, a young mother I talked to because of her honesty could not fill all the spaces in her day care but she could not afford to give up her partial UI supplement, so in turn she had to give up her day care or close her business.

In case number two, a well meaning pipefitter enrolled in a course but did not give proper notice and lost all his UI benefits.

Case number three is a government induced non productivity where west coast fishermen use UI as a supplement to yearly earnings already that are well in excess of national average because the government owes them as much.

Real job training and apprenticeship programs not by government but by business will put people back to work. There is no shortage of research on what must be done. We need government action not further studies.

My constituents have identified more sore points. I am proud of the tenacity of the Belcarra Council that spearheaded a national petition of municipal councils in protest over the present Young Offenders act. It put work and time behind the message I hear from citizens from parents to policemen. The present government must listen to Canadians as they tell it to reduce age limits and raise repeat serious young offenders to adult court. It is a poor system as we have lately seen that allows convicted criminals loose on our streets. Members of the public demand that their protection once again be the primary focus of government programs.

(1035)

This message ends with one final concern. We welcome the increased participation and friendship of people from all parts of the globe. Our neighbourhoods proudly represent a microcosm of a broad, cultural and language mosaic. There is a common belief by all residents, new and older Canadians, that each one of us must be equal as individuals before and under the law and the privileges of this land.

Labels must be removed and not applied in ever new ways so that we come together as a people, proud to be Canadian first of all and proud to support our own heritage within that context. We must address the issue of our national identity for a nation with no identity is no nation at all.

I urge the present government to hear Canadians from all backgrounds tell it that they want most of all to be Canadian. New Canadians need to have the opportunity and access to jobs

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and must be given that opportunity by wise immigration policies. It is the economic health of all Canadians that will dictate the social and economic climate that all must share.

I intend to scrutinize all government initiatives in multiculturalism and immigration and actively participate to make those initiatives more closely reflect the views of ordinary Canadians.

I salute my fellow Canadians as they watch the proceedings of this 35th Parliament. As Canadians we must never forget the richness of the land and the potential of its future. May we see past the quick fixes and easy solutions to work toward solutions that will provide a solid future of prosperity. That future is very possible as we have been blessed with so much.

As stewards of the abundant resources of this land and its people we must seek to be wise in our decisions and compassionate in our hearts.

Mr. Ronald J. Duhamel (Parliamentary Secretary to Minister of Public Works and Government Services): Mr. Speaker, first I would like to congratulate my colleague on her address. I listened attentively and I appreciate a number of the comments. I agree wholeheartedly that most Canadian taxpayers really believe they pay too much—and I also believe that they do—and there is anger out there. They are angry.

My question is not a trick question. It is a very important one to me. I am trying to find out whether or not it is true that rich and influential families can in fact shield some or a great part of their wealth through trust funds. If it is true that a certain number of wealthy Canadians pay no taxes at all, that a number of profitable corporations supposedly pay no taxes, that clever people with the human resources as well as other resources are able to shield or protect some of their money by taking it to foreign countries, is it still appropriate then to ignore these people or perhaps ask them to pay their fair share?

Thereby we probably would improve the economic health of the country and help to protect those programs we have. It does not mean they need not be changed in order to be more efficient.

Would my colleague care to comment on that?

Mrs. Hayes: I thank the hon. member for his kind comments and question.

As I have stated Canadians do feel they are being overtaxed. What the hon. member has expressed is a very real concern of an ordinary Canadian: Why is it that I have a burden whereas it seems other people do not, perhaps even the most wealthy.

Unfortunately the rules of the game in our present world are that capital is becoming more and more international. The rules of the game are that money cannot be forced to be maintained in one country. That very fact dictates that Canada has to become very wise in its economic decisions.

The rich as the hon. member said can take their money and invest it in other countries. Corporations can move.

As I said in my speech the producers of our wealth and the producers of our jobs can move elsewhere. Thus it becomes that much more important for us to make sure that this, our country, is a place where they want to invest, where they want to bring their talents and their jobs. Then the rest of us can have jobs by that. Sure, they need to do their part, but we have to do our part to bring them here. I do not think we have done that in the last short while.

(1040)

[*Translation*]

Mr. Nic Leblanc (Longueuil): Mr. Speaker, I totally agree with the hon. member when she says that we definitely should not raise taxes.

We have reached the limit and people are just about to break out in revolt. Her leader said that people would rebel and I think he is right. People are going to look for all sorts of ways to stop paying taxes.

It is obvious that the middle class is overburdened with taxes. Those who have a bit more money or a better education are leaving Canada. Last year, more than 400 physicians left Canada for United States. It costs the nation about \$2 million to train one physician and we have a situation here where 400 moved to United States.

What we should do, and I think my hon. colleague is right about this, is find better ways of managing our social affairs. There is a lot of waste at the management level. I do not want to see less services, but I want to see a lot less management. We have to decentralize, to make individuals, municipalities and provinces more responsible. The federal government could set the guidelines, but social affairs should be managed at the grassroots level if we are going to provide services to people who need them rather than to bureaucrats.

[*English*]

Mrs. Hayes: Mr. Speaker, I thank the hon. member for his comments.

I agree that the middle class is maintaining a burden of what is happening in the tax load of our country. We are losing our best brains, our best job producers because of poor economic policies here.

I would take it a step further. I would take it to the very root. This was mentioned by my colleague yesterday. The society that we live in has had the tendency to be dependent on government doing things for its members, whether that be federal, provincial or municipal. I would like to see our country becoming one where Canadians care about Canadians. Perhaps even at that lower level, as families and as communities we are able to address the needs especially in the social sector where they need to be addressed.

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Mr. Monte Solberg (Medicine Hat): Mr. Speaker, the government has embarked on the first step in democratizing Parliament by allowing free debates such as this one on the future of Canada's social programs. For that it really should be commended. I hope it will soon finish the job by allowing free votes on these issues we are debating.

So as to keep our heads on straight during this emotionally charged debate I think there are a few questions we should be asking ourselves as we begin the much needed overhaul of Canada's social programs. In fact I believe these are questions we should always ask ourselves in our role as parliamentarians.

The first question we need to ask is: Does the federal government need to be involved at all in resolving this problem? Can it be more effectively dealt with by other levels of government, by business or through private sector organizations or even charities?

In response to that question there is no doubt in my mind that a completely overhauled unemployment insurance program could be run by employers and employees themselves. This of course is what many have been asking for. In essence this was the recommendation of the highly respected findings of the Forget commission in 1986.

With respect to health care and welfare it is important that we recognize that the provinces are in charge of the administration of these crucial programs. We should let them continue to lead the way in progressive and meaningful reform. Newfoundland, New Brunswick and Alberta are all bringing forward exciting new approaches to income support and supplementation. Alberta is also proposing bold new initiatives in health care. Out of these varied approaches will come a synthesis, an idea, a program that combines the best of all.

In both areas however the provinces are limited in the scope of the reform by the strictures of federal legislation. I encourage the federal government to put everything on the table in its initiative to bring change to health care and social programs.

(1045)

The second question we should be asking is: Will this decision lead to a long-term solution, or is it a short-term band-aid fix that helps in the short run but creates problems of its own in the long run.

I would argue that the changes made to unemployment insurance over the last 23 years have not only led to ever rising premiums and a bankrupt program, more important it has led to dependency on government, a problem whose economic and human costs are incalculable. For the sake of Canadians let us ensure we have the courage to design social programs and health care reform that promote personal responsibility and initiative.

The third question we have to ask is: Are all the stakeholders involved in making these decisions or is it the top down, my way or the highway approach?

How many task force reports and royal commission reports now serve as chair props and doorstops because governments were not committed to following through on the recommendations that flowed from the people of the country? How many times have governments committed to a process of consultation only to ignore the comments they do not like?

The government should listen extra hard to the people who fund the health care system to find out what services they are willing to pay for. The government should listen especially hard to the people who fund unemployment insurance to find out where it needs changing. The government should strain to hear from the people who fund social assistance to see how that program can be improved.

The fourth question we need to ask is: Will this decision make government more user friendly and more accessible, or will it increase paperwork and layers of bureaucracy?

Canada's social programs today are a nightmare. They are designed by bureaucrats for bureaucrats and woe is the user who dares to verse his social program without his trusty bureaucrat at his side. The design needs to come from the people who use the programs. To do otherwise is to dehumanize further and make even more wasteful an institution, and I speak here of government, that is already characterized by gross inefficiency.

The fifth question we have to ask is: Does this proposal have clear measurable objectives, or are its goals vaguely stated and therefore unmeasurable?

I desperately hope that the government will bring forward a clear set of objectives when it tables its new legislation this fall. Putting people back to work or restoring their dignity sounds very nice, but unless we can clearly define our goals in measurable terms and then monitor our progress in striving to achieve them we may as well not even begin the process of reform.

Clear goals will force us to determine beforehand whether or not they are reasonable goals, whether or not they can even be attained. Clear goals will give guidance to the means by which we will achieve those goals. Clear goals will force us to set budgets that will be sufficient to sustain these new programs in boom and in bust periods. Without these goals we will be blindly spending wheelbarrows full of money in the vain hope that somehow this will improve things.

The sixth question we have to ask is: Has it been explained to the public that if this decision leads to more government spending then spending will have to be cut in other possibly more essential areas or that taxes will have to be raised?

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The government has a responsibility to communicate what is going on in government. As servants of the people we are duty bound to ask them where their priorities lie, which social programs are the most important to them, second most important, and so on. As the debt passes a half trillion dollars it must be apparent by now that our resources must be carefully rationed. I hope the government will fulfil its responsibility and address this issue.

The seventh question I ask is: Is this decision being made with complete awareness of the current economic, political, cultural, historical and social situation and environment both within the country and outside the country, or does it ignore current trends and important facts?

While I touched on the economic situation, we must also be aware of other factors that determine our environment. For instance in the fast-paced world of free trade we have to decide if it is even possible for government to predict successfully where the jobs of the future will be. Can we determine if technology will allow us to do more with less in the field of health care? These are questions that can only be answered by carefully investigating the delicate interplay of the many forces that shape our country.

(1050)

The government is embarking on an ambitious plan. Canadians from coast to coast recognize that our social programs and health care are in desperate need of deep, profound change. Not so obvious, however, is the subtle link between strong social programs, a strong economy and the right of Canadians, not politicians, not special interest groups, to guide this modern day reformation movement.

Well intentioned politicians find it easy to spend other people's money. Their good intentions are infinite but sadly the money is not. Well intentioned special interest groups want to help but have a powerful economic incentive to maintain the status quo. Only real taxpayers, people who grind it out every day to make a dollar, can make those tough decisions about how their money should be spent. We should trust them to tell us what is wrong with the social programs, what is wrong with health care, which programs are most important to them, and how they should be distributed and paid for.

I will conclude with these two lines that I believe sum up what I have been attempting to say this morning. If we fake it, if we only hear some people, if we only push our agenda, we cannot succeed; but if we listen hard, if we communicate, if we take our guidance from real taxpaying Canadians, we absolutely cannot fail.

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, I appreciate the comments made by the previous speaker.

I would like the member to elaborate a bit more, if he can, on what he calls real taxpayers. If I am hearing him correctly he is suggesting that if we just listened to real taxpayers we would be more apt to make the right decisions. I would like to hear a more explicit definition of a real taxpayer.

How do we take conflicting advice? I would suggest his constituents are not unlike mine. I can assure the previous speaker that I have, as he calls them, many ordinary taxpayers, ordinary citizens and ordinary Canadians in my riding. They disagree on how to move the country forward.

Constituents are not monolithic. They are not of one mind. They are the macro of this institution. We are the micro. We reflect the opinions and views of Canadians. We come here with all the conflicting views and philosophies. We fight it out, most of the time verbally, to get the job done.

Constituents are not much different. I can assure this new member that he will be receiving conflicting advice from his constituents every day that he sits in Parliament. He will be receiving advice on taking a collective approach on certain issues, sometimes the laissez-faire approach, sometimes the government approach and sometimes the individual approach.

What I am leading to is that the member should try not to be so simplistic in his approach or advice to this institution and other Canadians. He should just listen to Canadians. Canadians are divided. At the end of the day after we hear the conflicting views and advice we have to make a judgment. That is what Burke was saying 200 years ago. We are obliged to offer our constituents our judgment.

We cannot be robots because the constituents are pressing different buttons. They are pressing different buttons every day. They are telling us to go this way and they are telling us to go that way. Yet I hear the Reform Party say: "No, our constituents are of one mind. They are of one opinion. They are monolithic". That is baloney and I think they have to come to grips with that. I want you to respond to that.

(1055)

The Acting Speaker (Mr. Kilger): I remind all members to direct their questions and comments through the Chair.

Mr. Solberg: Mr. Speaker, the member raises some important points. I would point out to him that it was not the people involved in making the decisions who led us to the point where we have a half trillion dollar debt today. They did not have direct input into designing the programs that led us to that half trillion dollar debt. Edmund Burke had some wise things to say, but he did not have the opportunity to go through 300 or 400 years of democracy to see where it would lead.

The member is making his comments, not in the context of the current situation, not in the context of the fact that we have a huge debt and deficit, not in the context of the fact that people

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are cynical about politics and politicians, not in the context of the fact that we have huge divisions in the country because people do not feel they are being consulted.

If someone is simplistic in the House, it is not the people in the Reform Party who believe people have to be given a voice. It is people who believe they have all the answers. I encourage the hon. member to take a look around the country today and acknowledge we have to listen much more carefully to people than we have over the last 20 years.

Hon. Roger Simmons (Burin—St. George's): Mr. Speaker, I too want to say a few words on this important motion put forth by my friend and colleague, the Minister of Human Resources Development.

I want to say to my friend from Medicine Hat that he should take a good look; he is looking at somebody who does not have all the answers and does not pretend to have them. I do have some concerns about this resolution and I shall express them.

If we look at the resolution, the guts of it say that the committee would make recommendations regarding the modernization and restructuring of Canada's social security system. Since I have only 10 minutes I will not take any time to talk about how proud I am to be in a country with such a good social security system that has served the country very well for many years. I wish I had time to do that but I do not. I do have the time to say that I acknowledge any system however good needs regular scrutiny, regular reviewing, to see what is good about it, and we will hold to that. Whatever is not so good or has become obsolete we will jettison; we will do away with. That is why our system in Canada is a dynamic, unfolding, growing system.

There are a couple of buzzwords. I hate buzzwords; I just hate them. I know I use them but I hate them because often buzzwords wind up inadvertently skating over issues. The word modernization and the word restructuring, maybe they were just a bit of shorthand. Maybe they are buzzwords to mass a whole set of intentions. That I want to know the answer to. Let me ask people who hear the word rationalization: "Have you ever heard of a company that was going to rationalize the workforce that wound up doubling the work force?" Not quite. Rationalizing has always come to connote wipe out, destroy, reduce to nothing.

My good friend from North Vancouver injects the term improve. Yes, I suppose there is a context in which by rationalizing we can improve. I am not arguing that point. I am saying to him that the term rationalization has so often come to mean everything but improve. That is my point.

(1100)

I come to the two buzzwords in this resolution: modernization and restructuring. We have to be careful what exercise it is we enable the committee to do. We must see to it that it has a full mandate to scrutinize the present system and see ways in which, in the words of my good friend from North Vancouver, the system can be improved. I say to him improved, not gutted. To gut the system is not to improve it. That is my whole point and he helps me make it.

In the haste to modernize I have never had any excitement about if it is modern it is therefore good. I happen to know some good old fashioned things that are very good too. Modernization does not get me too excited if in the process we jettison something that was worth while. Restructuring for its own sake does not get me very excited if, in the process, we restructure some of the goodness, some of the inherent value of the particular program.

I come from a province with a very proud and very long history. By 1997 it will be 500 years since the Brits discovered us, except those who were here before us were discovered a long time before that. The Vikings discovered us around the year 900. When they came here they found people in Newfoundland already. The Dorset people were there about 2,500 years ago.

There has been settlement on the island of Newfoundland and Labrador for thousands of years. The Caucasian settlement is much more recent but it has been there for 500 years plus. When the Brits arrived in 1497 they found the Portuguese already there fishing quite regularly.

You know, Mr. Speaker, because you have heard me say many times in the House that the reason people came to Newfoundland was the same reason in effect that people went to the prairies of western Canada. They came because there was a resource there that they could earn a living from. In the one case, fish, and the other case, land. That is why they came.

I introduce that in the context of this debate because there is still a bit of stereotyping around. I had a professor in Boston University many years ago, a very wise man. I will use his words. They might not be politically correct these days but I have to use his wording. He said: "All Indians walk in single file, at least the one I saw did". There is always the danger of generalizing from too few examples.

I have heard it. I am a proud Newfoundlander. I was born and bred there. I spent all my life there and I hear about the lazy Newfoundlander. I hear it all the time. We got used to the Newfie jokes. They are intended for stunned mainlanders anyway so we do not mind that. However we are stereotyped that we are all down there trying to find a way to skin by, so we can get 10

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stamps, so we can sit home and drink beer for the other 42 weeks. That is somehow contradicted by the reality.

Here is some of the reality. Today there are 580,000 Newfoundlanders living in Newfoundland. The reality is that there are three-quarters of a million native born Newfoundlanders living outside Newfoundland. Maybe some of them went to Fort McMurray, to Cambridge, to Toronto—there is a quarter of a million of them in southern Ontario alone—to Los Angeles where there are 85,000, to what we call the Boston states, the New England states where there are 75,000 native born Newfoundlanders. Did they go because they found a way to beat the system there and get 10 stamps?

No, they went to get a work opportunity. They have done it for 500 years. If the work is in the boat they stay there. If it is on the rail tracks of Saskatchewan with CP that is where they go. If it is cutting logs in Nova Scotia that is where they are today. If it is working on the Great Lakes that is where they are today. Several hundred of my constituents, even as I speak, are working the Great Lakes.

I want to demolish one more time the myth that somehow there are a bunch of lazy kooks down there who are waiting for a government to come up with some more programs that they can milk and stay home and drink beer. That is not what this exercise is all about.

I am proud that I live in a country that says some people out there, through no fault of their own, cannot look after themselves and so we have a welfare system. I live in a country where there is the reality that some people cannot get employment for 12 months of the year and so we have an unemployment insurance system. Does that mean we ought to foster abuse of the unemployment insurance system? No, it does not. It means something else. It means that in our haste to modernize and to restructure we not throw out the baby with the bath water.

(1105)

The basic system is good and has served us well. If there are some abuses, let us find them. Let us not get so caught up in the idea that now we have to reinvent the wheel. We have to find some new things because it is 1994. Let us find some new ones if they are better than the old ones but let us have a good look at the old ones too. They have served us very well.

All this is a matter of perspective. I heard the exchange between my good friend from Winnipeg—St. James and my friend from Medicine Hat. It is not that one has all the answers. Some of us state our views more vociferously than others. Some of us do not believe them more deeply but maybe articulate them more strongly at times.

We come from different perspectives. We come from different solitudes. It is one thing if one is the leader of the Reform Party and one's riding of Calgary Southwest has an average family

income of \$49,000 or the newly independent gentleman from Markham—Whitchurch—Stouffville who comes from a riding that has the highest family income in Canada, \$58,800.

One would have a different perspective if one represents those ridings or if one represents my riding in which the average family income is \$24,800. The gentleman from Annapolis Valley—Hants represents a riding in which the average family income is \$30,000.

It is a matter of what the reality and background are and who sent us here. I have to say to my colleagues in this Chamber that the people who sent me here are every bit as Canadian as the people who live in my good friend's riding of Gaspé or my other friend's riding of Rimouski—Témiscouata. They are every bit as Canadian but with very different perspectives than somebody who lives on the prairies of Canada or elsewhere in this country.

That is what this debate is all about. We do not run a government here. We do not sit here and look at the gorgeous stained windows, as nice as they are. We debate here. This is a forum in which we bring the ideas of Canadians in two territories and ten provinces together. There is going to be a debate of different ideas. We are going to have differences of opinion. However, at the end of the day we are worth our salt, our salary.

We justify our being here only if we take what we had in the past in terms of social security systems and not destroy them or with euphemisms of restructuring throw them out. We should rebuild them. We should craft a better vehicle for the 1990s. That is the challenge that my people in Burin—St. George's want me to address. I believe it is the one that all people across this country want us to address here.

Mr. Ted White (North Vancouver): Mr. Speaker, I listened intently to the speech given by the hon. member. I enjoyed it very much, although for a while I wondered if he was talking about buzzwords and Newfie jokes more than the problem at hand.

However, he did mention at one stage rationalization being a bad word that meant terrible things. He gave me credit for bringing in the term improvement.

Companies that have had to go through a rationalization program have ended up with a better structure, more efficiency and a profitable situation from perhaps one that would have meant disaster before.

He also mentioned the term reality. I wanted to bring some reality to the discussion here and ask him a specific question. A person who retired on CPP in the early 1980s will collect almost five times what they contributed to CPP in their lifetime.

However, a 20-year-old today contributing to CPP will end up collecting less than three-quarters of what that person contributed. A similar problem exists with UI when a person

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using the system can collect up to 17 times as much as they pay into the system.

Does the hon. member agree that the CPP and UI systems should be modernized or rationalized so that they are much more like true insurance rather than a system of transferring benefits from one person to another?

Mr. Simmons: Mr. Speaker, my friend from North Vancouver makes two excellent points.

(1110)

The best way I can respond to the first point is to tell the hon. member about the three people who were facing execution by the guillotine. The rule was that if there were something wrong with the guillotine you went scot free. The first person put his head down, the blade jammed half way down and he was let go. The second person, the same thing. The third person was watching this and always wanting to be helpful he said to the executioner, "I think I know how to fix that".

If efficiency is the only objective, I can make the system very efficient for the hon. member for North Vancouver. Efficiency is not an end in itself. It must never become an end in itself in government. It must become one of the vehicles by which we get there.

If the only objective is efficiency I can tell him how to make unemployment efficient. Do not send out any cheques. All right? Just give people food stamps maybe. I can tell him how to make CPP efficient. Let us call it off. That would be the ultimate in efficiency, would it not?

Let us go to his second point of whether the examples he cites need fixing? I say to him gently we are having a debate. It was moved by the Minister of Human Resources Development, seconded by the Minister of Finance and the debate is calling on us to look at the social programs and see if they can be improved. That is to say, that debate itself, the fact that the gentleman rose in his place and moved a motion, is an acknowledgement that there is a lot wrong with the system. The hon. member for North Vancouver has given us two examples. If I had a week I could give him 10,000 others.

Mrs. Rose-Marie Ur (Lambton—Middlesex): Mr. Speaker, I welcome this opportunity to take part in today's debate on the modernization and restructuring of Canada's social security system.

In particular, I am pleased that the Minister of Human Resources Development has proposed to consult as broadly as possible with the Canadian people by directing the Standing Committee on Human Resources Development to listen to Canadian concerns and priorities regarding all aspects of the social safety net.

This grassroots approach is precisely what Canadians have been demanding for many years. During the last election Cana-

dians told us that social assistance programs and unemployment insurance are not leading them back to the work force.

Canadians are right to be concerned. We risk becoming polarized into two camps, those who have jobs and those who do not. Too many people are not working. Too many people want jobs and cannot find them.

Part of our social safety net is comprised of social assistance or welfare administered by the provinces. Social assistance has been designed to help those whose lives have taken an unexpected turn for the worst. It helps the disadvantaged and the disabled. It ensures that people have the basics of life, food, shelter and health care. In some cases social assistance also provides training programs to prepare clients for jobs and independence. Through this process a new idea has emerged.

Social assistance that provides the basics of life is no longer enough. Social assistance also needs to be geared to making people more confident, self-reliant and ready to re-enter the work force.

It is true that welfare is a provincial jurisdiction but the federal government must not and cannot shirk its responsibility. The federal government is an important part of the social safety net. We have the responsibility of the unemployment insurance fund which distributes up to \$20 billion annually and the same problem that besets social assistance also affects unemployment. It does not lead people back to the work force. For too many people unemployment insurance is just a stop along the way to welfare.

Besides unemployment the federal government has programs that assist the elderly, veterans, disabled and aboriginals. We also provide transfer payments to the provinces to help support health, education and social assistance programs. These direct and indirect expenditures represent the single largest component of federal spending. It is in the amount of \$70 billion, slightly over half of all our federal program spending.

High taxes and huge debt are crushing Canada's economy. On the other hand social assistance programs that generate a continuous cycle of dependency are crushing the lives of millions of Canadians. We simply cannot afford either financially or morally to continue this cycle.

The Canadian people know that our social programs, both federal and provincial, are strained to the limit. Many feel they no longer do what they have been designed to do.

(1115)

Instead we need a brand new model so that we would better meet the needs of the Canadian people. This new model for our social safety net will require changes along the way at a number of levels, from the fiscal arrangements which help to pay for these programs to the ways these programs themselves are delivered.

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For 127 years Canadians have enjoyed a system of government that has served us well, two tiers of jurisdiction, federal and provincial, divide powers and responsibilities. What makes Canada great is that we have always been able to work together and compromise for the greater good.

At this juncture of our history we once again find ourselves in need of that co-operation and goodwill. Now is not the time for another protracted turf war between the federal and provincial governments. Canadians will not accept it, nor should we as federal representatives be drawn into jurisdictional squabbles. What the times appear to demand now is a new rationale for the social security system and a willingness to co-operate in implementing this rationale.

I am pleased to note that a number of provinces have taken the lead in exploring new ideas and trying new programs. They are to be commended for their initiative and for their creativity. For example, British Columbia and New Brunswick are experimenting with pilot projects that use financial incentives to get those on welfare back to school or back into the work force.

Ontario is proposing a three tiered approach: a child benefit for all parents on low income, a basic benefit for jobless adults, and a special allowance up to \$450 a month for jobless adults in retraining programs.

Newfoundland has proposed replacing unemployment insurance and welfare with a form of guaranteed annual income of at least \$9,000 for everyone in the province. The needy and the destitute would receive other monetary housing and health benefits. As for those who receive welfare or unemployment insurance they would no longer be penalized if they take part time, short term or minimum wage jobs. They would no longer lose their housing, health and child care benefits until they could afford to pay for them.

All these examples illustrate a workable common sense approach to the change of Canada's social safety net. By combining the principles of need and merit with incentive, these examples of welfare reform illustrate that social programs can be based on a kind of hard nosed compassion.

The question is familiar to anyone living in Canada. How with limited funds can we support in some dignity those who cannot work, reward those who can for trying and either educate or train the rest? We already have some interesting examples before us. Enterprising welfare reforms have been heard before and then forgotten.

I do not believe Canadians can afford to let that happen again. That is why I am so pleased that the Minister of Human

Resources Development has already agreed to study several of these proposals made by some of the provinces.

The changes when they come might happen in the following way. Assuming that the Canadian economy must undergo pronounced structural change to remain competitive the labour force is naturally faced with job retraining, job dislocation and economic uncertainty. A significant job category in the near future may well be that of trainee or student.

Unemployment insurance seems to be the likely candidate to be transformed into a training and upgrading allowance scheme. Such allowances could even begin with students completing high school and beginning occupational training or higher education. These allowances would continue to be available to people in the process of retraining when that becomes necessary.

The possibility even exists of entirely banishing the concept of unemployment. Temporary lay-offs could be used as holiday time while more lengthy lay-offs could be used for sabbatical or for periods of job retraining.

As illustrated by the Newfoundland scheme such allowances might also be used to supplement the incomes of those in part time employment. The beauty of this vibrant as opposed to passive form of guaranteed annual income is that when someone on social assistance finally finds a job they will not be punished with a smaller cheque. They would be given a bigger one. The assistance would taper off until earned income reaches a certain level, and then slowly subside to zero until another level is reached.

The advantages are easy to see. Unemployment insurance and make work spending are redeployed to support the unemployed and also reward the effort of getting work. Conventional, passive welfare spending declines as people find jobs or create their own through self-employment and enough is left over to finance better training programs and education.

The provinces have come up with many new approaches. It is this government's desire to work with the provinces with one simple goal in mind, getting Canada back to work. We want to sit down with our provincial partners and come up with a unified and effective program that works for the Canadian people. By co-operating I believe we can find new solutions. I believe our shared deficit and debt crisis has opened a window of opportunity to try new common sense ideas. They have forced us to recognize that our first task is to get Canadians working again. They have forced us to recognize that what we do now is not working.

(1120)

The federal government and the provinces of this federation have been given a unique opportunity. Together we can perform a fundamental overhaul of all the social assistance and unemployment insurance programs. Let us not waste this rare opportunity. Let us tap into that reservoir of Canadian ingenuity and

good old-fashioned common sense and work together for the good of all Canadians.

At this time I would like to apologize to my hon. colleague for using the buzzwords.

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi): Mr. Speaker, I must congratulate the member who just finished her speech. I certainly share some of her concerns and I also understand why many Canadians want democratic debates like the one we are having right now. But Canadians also expect us to take immediate and concrete measures.

Up to now, this government has made no major decision. Nothing has been done to tackle great priorities like the deficit or the social security system reform. We must remember that during the campaign, the Liberals promised they would maintain the status quo in that area, particularly in the case of welfare.

I would like to know if the member thinks job creation might be a good way to begin the reform. The government announced an infrastructure program to put people back to work, but we will need more than that. What is the government waiting for to launch job creation projects which would at the same time lead to this reform?

It is clear the announced reform was only an excuse to cut social programs because the government is unable to create jobs. We cannot train welfare recipients if that training does not lead to enriching, creative and well paid jobs. Otherwise, as someone said before, we get into a vicious circle and go back to square one.

The number of people living below the poverty line keeps on increasing. We must therefore, first and foremost, focus our efforts on job creation. As her government said: jobs, jobs, jobs, I say jobs, jobs, jobs, yes, but with concrete projects, and reform will follow. I would like to have her comments on this.

[*English*]

Mrs. Ur: Mr. Speaker, I would like to thank the hon. member for his kind remarks.

As to the social programs and the funding, I believe throughout our campaign we illustrated the fact that jobs and the social security programs together are unified. If we get people back to work the social programs will be less in use. The moneys will be there and in close ties with that, the financial end of the social programs will help alleviate the debt and the deficit.

(1125)

We have to be patient. We have been here for a few months, but I can assure the hon. member that the human resources minister is certainly working hard to come up with a strong

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effective program to meet the challenges of today. I am sure it will be something that will meet well with all Canadians.

The Liberals have been known to be caring and compassionate people. I am sure the hon. member's concerns will be addressed by the ministers involved. I again thank the member for the kind comments.

Mrs. Jan Brown (Calgary Southeast): Mr. Speaker, I do congratulate the hon. member for her address. She brought a lot of passion and eloquence to her delivery today.

I am just a little bit confused in my own mind and would like some clarification with respect to the statements from the member for Burin—St. George's. He said that we have had a basic system that has served us well. If that is the case, why then did the hon. member who just spoke say that the economy has to undergo major restructuring?

I would like the hon. member to somehow bring together those two statements so that when it comes to a question of integration and getting a system working again that this does indeed happen. The two members have created some confusion for me. Could the hon. member please clarify those statements?

Mrs. Ur: Mr. Speaker, I thank the hon. member for her kind remarks.

I believe the programs were established and well studied at the time they were implemented. As time goes on, functions for a program change. When times are hard and jobs are lost, some of the programs tend to be referred to in a manner that did not need to be addressed when times were a little more affluent. This is what we are trying to address. The programs have been studied but we have to make sure that the abuse of the programs is addressed. When the economy is down it appears the abuses seem to go up. If we can balance both of them, our programs will satisfy both at the same time. I hope I have answered the hon. member's question.

[*Translation*]

The Acting Speaker (Mr. Kilger): Before giving the floor to the hon. member for Québec, I would like her to indicate whether she is going to make a 10 or a 20 minute speech.

Mrs. Christiane Gagnon (Québec): Twenty minutes, Mr. Speaker.

The riding of Quebec, which I have the honour to represent in the House of Commons, is a very special one.

Many MPs say the same thing about their riding, but this one, which is home to the Quebec government and the National Assembly, as well as the Old City of Quebec, declared a world heritage site by UNESCO, is, for all Quebecers, a sacred place steeped in history, from an administrative, political and emotional perspective.

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I want above all to pay tribute to the people of my riding, and state again that I am convinced that the direction taken by the Bloc Québécois is the only one which will lead Quebec to full economic development and nationhood. To convince everyone in my constituency of that fact will be the greatest challenge of my mandate.

The riding includes several federal sites such as the famous Plains of Abraham, Artillery Park and the Citadel, well known to tourists and visitors alike. It also includes a harbour vital to our region's economy, but which has been experiencing a significant drop in activity in the wake of the general slowdown of the economy.

I promise to raise again, in this House, the problems plaguing the Quebec harbour to show how a harbour, centrally managed by Ottawa which keeps all the revenues, and whose development is controlled from afar, cannot compete against harbours elsewhere in the world which are virtually all managed locally, such as those of Rotterdam and Antwerp.

Next to the commercial harbour, we find the Old Port, an important tourist attraction and recreational facility in which the federal government has been investing considerable sums for more than a decade. The development and vocation of this facility create serious planning problems in our area.

(1130)

The fact the local and regional elected officials do not have formal jurisdiction over these facilities calls into question once again the whole issue of the inefficient and bureaucratic centralization of Canadian federalism, as we have experienced it in Quebec City.

I am sure we will have ample opportunity to re-examine this issue in the coming months and to call upon the Liberal government to allocate the sums promised during the election campaign, but bearing in mind the real needs identified by local stakeholders.

Aside from these major infrastructures, the constituency of Québec has a number of features that are not so well known to tourists and visitors. The riding takes in the most densely populated area in the region and as such, it is grappling with extensive social problems and with poverty.

Large portions of Lower Town and one neighbourhood in Upper Town present all of the symptoms of social and economic decline, namely widespread unemployment, tenuous jobs, dependence on social assistance and a host of other human problems.

Successive census figures show that the population of these neighbourhoods is decreasing. The average income of Lower Town residents in 1986 was \$6,000 less than that of residents in the entire Quebec City area and in the entire province. The

census also showed that in Quebec City in 1986, there was a difference of \$7,000 in the average incomes of women and men.

The poorer neighbourhoods in Quebec City and elsewhere are feeling the full effects of erratic and shortsighted government policies, against a backdrop of spiralling taxes, complete tolerance of smuggling activities and the ongoing shameless waste of public funds, as evidenced by the annual denunciations of the Auditor General.

For members of the public forced to put up with service cuts and higher taxes, the price-quality ratio, as they say in economic circles, is slipping more and more.

As I stated earlier, the women who live in some of the neighbourhoods in my riding, like women in other constituencies, experience a unique situation, one that puts them at a disadvantage. Now is the time to take a closer look at the broader issue of the status of women and to ask whether this is a priority for the government.

This is the question that must be asked by women in Quebec and in Canada, given the threat of cuts to social programs. For a great many women, these social programs are the only safety net they have and the only way for them to make ends meet.

A number of studies have brought to light the abject poverty in which women live every day. According to a study conducted by Health and Welfare Canada, in 1987, 63.6 per cent of single-parent families with preschoolers lived below the poverty line set by Statistics Canada. These figures alone illustrate the problems faced by many single mothers who account for 10.7 per cent of Canadian families and for 11.7 per cent of Quebec families.

These are not just figures and statistics. We are talking about our sisters, our friends and our mothers.

Even though poverty is not the sole cause of violence, a number of studies have shown a correlation between poverty and violence against women and children. My hon. colleagues in the Official Opposition will agree, as will the other hon. members of this House, that job creation—by this I mean real, sustainable, well paid jobs that contribute to the personal growth of workers—must be at the top of the government's list of priorities. A partnership must be forged with Quebec and the other provinces as well as with the private sector.

Poverty and health problems go hand in hand. The more a family has to spend on housing, the less money it has for food, clothing and medicine. Statistics Canada reports that 57 per cent of single-parent families headed by women live in rental housing, whereas the same is true of only 37 per cent of men in the same situation. These figures cast poverty and housing problems in a decidedly feminine light.

Poverty also means a lack of money for child care. One has often heard women earning the minimum wage lament the fact that it costs them more to work and pay child care than if they were to stay at home and collect social assistance or unemployment insurance. This is not laziness but a recognition of the

system's inability to provide child care services allowing women to join the workforce, to ensure their personal growth, to upgrade their professional qualifications, in order to achieve financial independence and break the chains of dependency.

(1135)

Mothers who want to work or go back to school or, as the studies show, the large number of them who have no choice but to work outside the home, urgently need government support. They will then be able to go to work secure in the knowledge that their children are in good hands.

It is difficult if not impossible in this debate to deal with all issues concerning women. We will limit ourselves to two aspects for now: child care and violence against women.

Let us look first at the issue of child care. The former Conservative government had promised Quebecers and Canadians a national child care program that was supposed to create 400,000 new child care spaces. This project was abandoned in February 1992. According to a report by the Conseil de la famille du Québec, tabled in May 1993, the Quebec government reduced by \$94 million the money it was supposed to invest in child care in the last three years.

We also know that in 1988, according to the Canadian national child care study, more than 1,634,000 Canadian families needed child care services. In Quebec, 385,900 families would need such services for their pre-school and school age children.

During the last election campaign, the Liberal Party promised to create 50,000 child care spaces in each year following a year of 3 per cent economic growth, up to a total of 150,000 spaces. Forty per cent of the costs would be paid by the federal government, another 40 per cent by the provinces, and the remaining 20 per cent by parents according to a sliding scale based on income. We find this economic growth-related restriction puzzling.

There is a crying need for child care spaces. According to assessments by the Office de garde du Québec, these needs amounted to 201,310 spaces in 1988 compared with 130,713 available spaces, leaving a gap of over 70,000 spaces.

The federal government has always trodden very carefully on this issue. It makes promises and then backs off. Some women's organizations and child care associations want a national child care program. The Bloc Québécois will not oppose the creation of a national child care program.

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We recognize that some provinces, because of their organic bond with federal institutions, may want a federally administered and regulated program.

However, as far as Quebec is concerned, we are firmly against the federal government imposing on Quebec families a Canada-wide program with its own list of standards without concern for our needs or our economic, cultural and social situation.

Our intention in this regard is clear. We are asking the federal government to transfer to the Quebec government its fair share of subsidies so that it can develop adequate child care services taking into account the welfare of children and the needs of parents. To us, the transfer to Quebec of all federal social and health program budgets is paramount.

Many hon. members and ministers have stated that the government cannot put its fiscal house in order without cutting social programs since transfers to individuals and provinces account for over half of program spending.

In our opinion, if the government intends to reassess, review, streamline, redesign or, in other words, cut social programs by dumping the deficit problem on Quebec and the other provinces, it is totally unacceptable.

Before thinking of cutting social programs, the government would be well advised to cut defence spending, to save \$1 billion in administrative costs, by giving the provinces sole jurisdiction in employment matters.

We think that setting up a parliamentary committee to review spending in order to eliminate waste and duplication and reduce operating costs would be the best way to identify areas where there is still fat to be trimmed. We believe that the federal government must rationalize its own spending before reducing payments to those hit hardest by the serious economic problems.

(1140)

The Canada assistance plan is the program through which the federal government contributes 50 per cent of the social assistance provided by the provinces. This means that 50 per cent of what it costs Quebec to provide day care spaces, as well as tax exemptions and financial assistance for non-profit child care comes from this program.

This program emphasizes the inefficiency of the cost-sharing formula which lacks incentives to improve financial management practices. Also, the rule of spending favours the have provinces. Because they have more tax resources to spend, they receive more federal funding.

In the end, albeit in the short term, we believe that there is an urgent need to relax the eligibility requirements for tax exemptions and financial assistance to help low and middle-income families pay for child care services without having to cut back week after week on basic necessities.

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Now, we move on to the subject of violence against women in Quebec and in Canada. It has become such a widespread phenomenon that, even if it may sound redundant to quote more statistics, we feel the need to do so because the numbers speak for themselves.

Half of all women in Canada have been victims of at least one act of violence since the age of 16. Some 25 per cent of all women in Canada have been abused by their present or previous partner. Six Canadian women out of ten who walk alone at night in their neighbourhoods have reported that they were either very or slightly afraid to do so.

These few figures from Statistics Canada surveys on violence against women published in November 1993 draw an increasingly alarming picture of the situation faced by women in Quebec and Canada.

Clearly, violence has become a serious problem. Over the last decade, 600 children were killed in Canada. One third of these children were under one and 70 per cent were under five.

From now on, family violence against women must be viewed in a broader context so as to include spouse abuse. Thanks to the tireless efforts of women's organizations such as rape crisis centres and other shelters, incest is no longer a subject discussed only behind closed doors. We think that the lack of financial support for these organizations is most unfortunate because it jeopardizes not only their very existence but also the delivery of first-line services to women whose lives, in many cases, are in constant danger.

We also want to emphasize the needs of women from cultural communities, particularly newcomers, women with disabilities and seniors who are abused. Some women, often because of their greater vulnerability, urgently need support to break the code of silence that makes their situation so tragic.

While we notice a certain shift in the attitudes and behaviour of our legal system towards victims of violence, recent events indicate that other challenges need to be met.

In closing, I think that the need to alleviate the hardship of families and individuals in Quebec and Canada must be seen as an underlying principle in any review of social programs.

To this end, it is imperative that the government curb the deficit and cut extravagant expenditures without social programs being affected. In fact, social programs are the only social security net we have as we face a sluggish economy that has shrunk as a result of the irresponsible management of federal funds and costly duplication.

It is obvious that the government has not met the changing needs of our society, in particular with regard to child care. On behalf of all women, we ask that the condition put on investing in a child care program, which is dependent upon a yearly three per cent economic growth, be lifted. The government must release funds immediately and there should not be any constraints put on provinces that would rather set up their own program.

To meet the needs of women, we must develop a joint strategy of adequate child care, decent and affordable housing, abuse control, job training and permanent employment. Women have been waiting for a very long time.

[English]

Mr. Morris Bodnar (Saskatoon—Dundurn): Mr. Speaker, we have heard comments from the hon. member with respect to increasing spending on day care. One certainly cannot argue with that. As well we have heard discussions about not cutting social programs.

(1145)

At the end of her presentation the hon. member indicated that the deficit should be cut, after talking about increasing spending, not decreasing spending.

My question for the hon. member is this. How does she believe that can be fulfilled, the cutting of the deficit without cutting spending, not expanding spending in other areas?

[Translation]

Mrs. Gagnon: Mr. Speaker, I talked about cutting the fat, but I also talked about increasing child care services to solve the problems that women go through every day when they want to go to work so that they can have some personal independence. I believe that the society which we represent here in this House urgently needs to think about child care services so that some women could be self-supporting. I am talking about cuts in government overspending. I think that women have waited long enough. Such cuts would really show the government's resolve to act quickly.

They talk about 3 per cent economic growth before they can invest in child care services; this may mean putting it off indefinitely or at least until much later. Women have waited long enough and I think that this year we should do something for them.

[English]

Mr. John Williams (St. Albert): Mr. Speaker, I would like to thank the hon. member for Quebec for the fine speech she made. However I found some inconsistencies in it.

She stated it is completely unacceptable for the Canadian government to offload programs on to the provinces. At the

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same time she said the day care situation in Quebec will not be resolved unless the province of Quebec is left to do it on its own.

I always wonder when I hear these types of statements where the money is magically going to come from. There seems to be some magical formula that is going to generate some money to pay for these programs if one level of government gets out of the act.

We heard it the other day when the member for Lévis was talking about job creation: if the federal government got out of it there would be money to create all kinds of jobs.

We heard it from the member for Gaspé. He said if the federal government got out of regulating the fish stocks there would be all kinds of fish in the Gulf of St. Lawrence to provide a livelihood for the fishermen there.

My question for the hon. member for Quebec is this. How does she see the money being available to provide for the problems she has identified? Quebec is one of the provinces that receives money from the federal government under the equalization grants. By the federal government removing itself, how on earth is that going to create the money to resolve the problems she has identified?

[*Translation*]

Mrs. Gagnon: Mr. Speaker, the Government of Quebec is asking for the transfers to be returned to Quebec so that it can manage its own child care programs. We give \$28 billion to the federal government; this is our taxpayers' money. I think that it is better to have only one level of government managing. We must decentralize decision making. Child care services must be specific to the needs of each province.

For the Government of Quebec, as with occupational training, it is the same situation dragging on. Quebec wants to run its own child care programs so that it can set its own standards. That is what we demand. So Quebec wants its fair share of the \$28 billion it gives to the federal government. That is only one of the issues.

With regard to social housing, we know very well that Quebec is disadvantaged compared to Ontario, in terms of the fair share it should receive. I was looking at figures on social housing; we know that women are greatly affected by this program. In my riding, we have more than 4,900 single mothers and 4,300 of them are waiting for social housing.

(1150)

I have a letter from the president of CMHC, saying that construction of social housing has resumed but that Quebec is behind in this new start-up of social housing. If we go through it issue by issue I think it is a good reflection of the Quebec reality. We have come here to talk about this reality; it is part of my mandate to explain in this House the realities that people in my

riding live with. Child care services and social housing are two issues that I care very much about.

Mr. Yvan Bernier (Gaspé): Mr. Speaker, I realize that there will be some rather interesting debates in this House. The comments made by the members representing Quebec are sometimes understood, and sometimes not so well understood. However, I must say that this morning I was touched by the speech of my colleague representing the riding of Québec, because I think it is the first time that we hear a member who knows what she is talking about. My colleague represents Quebecers as well as the women of Canada and Quebec, and she reminded this House of the numerous electoral promises which were made.

Earlier, we pointed out that when members from Quebec rise in this House, some think that every issue affecting Quebec can be solved. We invite those people to come to see us and listen to us. When the hon. member for Québec said that we must invest instead of talking about spending—because sometimes we talk about spending even though it is not the case—when she mentions investing in daycare facilities, she means that the government must invest in Quebec and Canadian families. In that regard, I urge the members in this House to reread *Hansard* in order to better understand the messages sent, since the language barrier seems to prevent us from being well understood.

Mrs. Gagnon: Mr. Speaker, I wanted to create a sense of awareness. Very little is said about the situation of women. It is always a somewhat sensitive issue and I wanted to make members from both sides of the House aware of the claims made by women, and also convince them to be very receptive to those claims. I know that we are going through a period of austerity which affects all of Canada, including Quebec, but let us not forget that women have been waiting for a long time. There are many working women, but they need concrete support from the governments.

[*English*]

Mr. John Bryden (Hamilton—Wentworth): Mr. Speaker, we have heard many fine suggestions from all sides of the House during this debate and I would like, if I may, to approach the matter from a slightly different angle.

We have been told many times and it has been expressed in many different ways that now is the hour of revision. We must examine the old ways and find new ones if we are to live within our means and still provide for the needy in society. We can never abandon those who need help. We must reduce our spending while preserving those social programs that have made Canada the envy of the world.

I do not believe we have to slash and burn. I believe we can retain the essentials right across the board if we define a new understanding between government and many of the special interest organizations that receive public funds. If those who can

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take less were to do so there would be more for government to give where the need is greatest.

I have the opportunity to examine the published public accounts between 1991 and 1993. I have been singularly impressed by the way in which previous governments have financially supported all manner of worthy organizations, especially those specifically constituted to promoting specific causes such as organizations to preserve French outside Quebec, organizations to preserve English in Quebec, to further labour education, to raise the profile of women, to argue the dangers of smoking, to advance the cause of day care, to preserve minority cultures. The list is long for the worthy causes are many.

The difficulty is that most of these organizations rely on the federal government for funding, \$50,000 here, \$20,000 there, \$30,000 here, \$40,000 there. The money spent viewed across many ministries runs into the hundreds of millions of dollars.

(1155)

Let me give some examples. Understand that in doing so, I do not mean to disparage the organizations mentioned. All have valid messages. All have enormous commitment. All have hundreds, thousands, even millions of supporters.

Last year the Canadian Labour Congress received \$4 million to further labour education. Other labour union groups received an additional \$3 million for the same purpose. Meanwhile, to be entirely fair, the national headquarters of the Chamber of Commerce received \$1.6 million. In every instance it is a lot of money. The point is the CLC, the other unions and the Chamber of Commerce have large paying memberships which believe in what these organizations stand for. It cannot but strike one as odd that the taxpayer is also supporting them.

The National Action Committee for the Status of Women also has incredible support, millions of supporters. It receives \$300,000 in federal money with another \$700,000 going to regional and provincial affiliates. This too is a lot of money. By way of contrast, the Girl Guides of Canada received \$15,000, one of the lowest awards of hundreds.

Another example is the Smoking and Health Action Foundation, one of the most prominent anti-smoking lobbies in Canada, received \$415,000 in federal and provincial grants. It received nothing from members. It did, however, pay \$400,821 in salary and benefits to its eight full-time staff members. It is a generous employer.

My question is if an organization has broad grass roots support why does it not rely on that support financially? Why does it not appeal to the people who share its ideals to give a dime or a dollar?

The girl guides sell cookies, churches pass plates, political parties have fund raising barbecues and dinners. It would be a scandal for sure if the hon. members of the Bloc required federal money to finance their agenda of separatism. Are they any less idealistic, less motivated than the many other advocacy and special interest organizations that now receive public money?

There are hundreds of organizations, large and small, taking from the taxpayer when they could be, possibly they should be, raising all the money they need by themselves. My challenge to these organizations is turn your back on government funding. Prove to Canadians that your issues are so strong, so vital that like-minded people will get behind all your programs and they will spare that dime, they will spare that dollar.

The reality of today is government's cannot afford to finance organizations that should be able to finance themselves. We must spend on those individuals who are most in need, those who do not fall into some convenient catch word, those who are without strong voices and yet who are crying for help, the poor or the young, the tens of thousands under the age of 25 who are without jobs and with no prospects. We need to save money to save them.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Mr. Speaker, I was surprised by some aspects of the hon. member's speech. For instance, he used the word separatist instead of using the term sovereigntist. I suppose he is unaware of the fact that in international law and political science, the term sovereigntist should be used. There is no such thing as a separatist doctrine in international law, but that is not my main objection, and I imagine he can always read up on the subject.

What surprised me most was that he challenged the Bloc's eligibility for funding on the same basis as other political parties.

(1200)

The hon. member should realize that Quebecers pay taxes like anyone else. This is what more experienced colleagues in the hon. member's own party realized when they decided the Bloc was entitled to have Parliament pay their legal fees in the lawsuit brought against them by a Mr. Aaron. The hon. member's colleagues are apparently more democratic in outlook than he seems to be.

Finally, the hon. member may or may not know that the Quebec Elections Act says that only individuals may finance political parties. Now that is democratic legislation and it is a legacy of a sovereigntist party in Quebec. And I would ask the hon. member whether, for the sake of the image of politicians and so people will realize that integrity does exist in politics, it would not be better for Parliament to pass legislation providing for grassroots financing of political parties instead of fund-raising dinners at \$1,000 a plate at the Laurier Club, a Liberal club,

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or taking donations from the wealthy who often have access to family trusts which his government is reluctant to tax. I would appreciate the hon. member's thoughts on the matter.

[*English*]

Mr. Bryden: Mr. Speaker, I guess my speech was not as good as I thought. Obviously a point has been missed here.

I did not mean to suggest there is something wrong with the method of Bloc fund raising. I meant to suggest that all political parties should receive support from the people, from their constituents, not from government. We would have a very incestuous relationship if the Liberal government were to be financing the Bloc at this time or the Parti Quebecois.

I must add further that the choice of the word separatism as opposed to sovereignty was a deliberate choice on my part. I actually did consider that very carefully because I am aware of the distinction and the distinction in the eyes of the Bloc, but I have to say that most Canadians they see the separatism rather than sovereignty. I am sorry.

Mr. Randy White (Fraser Valley West): Mr. Speaker, I would like to compliment the hon. member on his speech. There are many things in his speech that I certainly subscribe to and many Reformers do as well.

There are a lot of organizations in this country receiving grants well in excess of what they should be. Perhaps by listening to such a speech there is a lot of room for reconciliation among parties in today's Parliament in trying to curb this kind of thing and spend money in the right places. Perhaps in the next four years we shall see, maybe the House of Commons will be very much together on that issue.

I would like to ask the hon. member how he would define slash and burn of social programs since it was mentioned once if not twice in his speech.

Mr. Bryden: Mr. Speaker, I think I can answer that very simply. Slash and burn is when the cutting of social programs leads only with the mind, only with head, and forgets the heart. We must remember the heart.

[*Translation*]

Mr. Jean H. Leroux (Shefford): Mr. Speaker, the hon. member said in his speech that people should live within their means. Does that mean people who have little or no resources do not have the right to live? To hear some members of this House, you would think there were no poor people in Canada. I think we should not introduce reforms at the expense of the neediest in this country, and I would ask the hon. member to give us his views on the subject.

[*English*]

Mr. Bryden: Mr. Speaker, I do not think we are beginning the reform on the backs of the disadvantaged. The direction of my speech was to ask that those who are able to take care of themselves should look after themselves and raise their own money. I think that applies right across the board. Those who are not in need need not be helped but we have to help those who are in need.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I am very pleased that we are able to have this type of a debate on such a major item as social policy reform in Canada. It is time we sat down and recognized where we have come from and the evolution of social policy in this country.

(1205)

Most of the social programs and policies we have today which make us distinctly different from almost every country in the world have come about because of Liberal policies. In the past, Liberals, as a government and a country that is liberal, we believed in the collective ownership of the resource that is Canada. We believed fundamentally that it did not matter where we lived, in Alberta, northern Ontario, Newfoundland or in Ottawa, somehow we had a right to expect to share in the greatness and the wealth that is Canada.

We have developed a lot differently than our counterparts to the south. We believe in a free market system but we also believe that the state has a responsibility to redistribute wealth. We believe in a free market society but there are larger overriding priorities of our society than the accumulation of personal wealth. It is why we are different. It is why we have developed differently. We manifest our beliefs in social programs that make us the envy of the world.

We believe that nobody should have to live in poverty in a country as rich, as prosperous, with the future that Canada has. We believe as a nation that those individuals who are elected to govern should be able to find a policy mechanism to ensure that nobody should have to worry about whether they have food on their tables when they retire, when they are old and in their twilight years.

We believe we can come up with programs to deliver these policies to ensure that no matter where we live we have a right to expect quality health care that was accessible to everybody free of charge.

The federal government put in policies which by and large worked very well. Those policies ensured that in time of economic collapse or dislocation nobody starved to death. It made sure that we somehow allowed the free market system to work but at the same time discharged its collective social responsibility.

Times have changed. We find ourselves in a situation where government is no longer able to deliver these principles in the same way. Some people, such as my colleagues in the Reform

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Party, might say the principles are no longer valid. I would disagree with them strongly. What may no longer be valid are the delivery mechanisms that have been put in place. They may not be delivering the programs as efficiently as we might like. In fact, to argue that the vehicles must be maintained may jeopardize the principles and the programs.

This is not just a Liberal philosophy. It is, I believe, a fundamental characteristic of Canadian society. It is part of the fabric of this country. Who better to redesign the social safety network than the party that put it together in the first place, the Liberal Party. Who better at this point in our history to reach out and start it here than this new Liberal government.

We have sought input and debate from all sides of the House. However there are certain things we have to remember in the debate. It is very easy if we are just looking at the fiscal concerns of the state. It is very easy to get rid of the deficit. I listened to my Reform colleagues opposite during the campaign and they presented through their leader and their candidates a way to get rid of the deficit in three years. I could get rid of the deficit in 12 months, but it would be a vastly different Canada.

It would mean that the poor and the disenfranchised would be living in parks like they do in the United States. I am sorry but that is not the type of Canada I was born in and that is not the type of Canada I am going to work toward. It means that transfers to the poorest provinces would be cut, such as to Nova Scotia, Newfoundland and Saskatchewan. We can say: "Well, we have done our bit as federal legislators. We have done our bit to reduce the deficit". However, the human carnage that would remain after those actions would be unconscionable and unacceptable. So we are not going to follow the Reform pattern of slash and burn on social programs.

As a government we want to have a full debate about what principles of social justice we believe are still applicable and whether we can develop the vehicles to deliver that social justice through programming.

(1210)

We have to remember a number of things. One is that even in the wealthiest country in the world, and the country that the UN says is the best country in the world to live in, in spite of the multi-layered social programs that we have across Canada, we have over 1.5 million children who live in poverty. Obviously the programs and the goals we set out through our program structure has not hit the mark. The country has changed. Things have changed forever. We can no longer protect certain industries. We are into the globalization of trade.

We have to get back to the basics. If we still believe in the principles that I talked about at the beginning of my address, that of collective ownership of the resource and of social

responsibility, then we will start from that basis and rebuild a social services delivery system, one that will have excised from it the abuses, or as much as one can excise from it, and one that ensures at all times we look at the dignity of the individual.

I cannot think of anything more undignified than somebody who has to live on welfare. I cannot think of anything as undignified as a man or a woman who has to go to bed knowing there is no food for their children to eat the next morning before they send them off to school. I do not think that is what we want as Canadians no matter what our political beliefs may be.

It is time to sit down and re-establish those fundamental principles. Maybe we will find they are not going to be vastly different from the principles that were laid down by this party after the Kingston conference in the Pearson era. We will probably find the fundamental principles of liberalism are still a basis on which to build. We will invite people from across this country, of various political beliefs, to help ensure that the systems brought forward deliver the type of assistance to those who need it the most in a way that is not a hand out but is a hand up.

Single parents in our ridings are coming in and saying: "Look, I am receiving \$828 a month on welfare and I don't feel good about it. I feel kind of soiled. I want to contribute. I don't want to be a burden on society. But the circumstance I find myself in right now is one that I have had to go to a social service department". They then tell us that they want to work but the only job they can find pays \$6 an hour. If they work for \$6 an hour and have to pay child care costs out of it then effectively they have lost \$200 to \$300 of an \$850 income. Those are the realities of the circumstances that are out there today and they have to be addressed. I believe we can do this together collectively.

It is important, however, to remember a couple of things. We have created a multi-layered bureaucracy to deliver the dollar. By the time I go to one member and take a dollar out of his or her pocket, run it through the system and then drop it back down to the individual, the individual who needs the hand-up not the hand-out, there is not enough money to do anything but keep them on welfare and stuck in the cycle of poverty.

Somebody somewhere has to be paid to take the money, to process the money, to drop it down to a program directorate, down to the province and down to the municipality. We have three levels of government taking that \$1 and leaving as much as possible intact to deliver some assistance to somebody who needs at that moment. We have to look at that. We have to take a very strong lead, in my view, in trying to ensure that the dollars are not spent administering the program but the dollars are spent on a well thought out program that will allow people to maintain

their dignity, to retrain if necessary, to give the type of support so they become a taxpayer instead of a tax taker.

I am intrigued, and have been for years, with a proposal that has been put forward by my colleague from Broadview—Greenwood. He has put a lot of thought into it. I have polled my constituents on it over the last number of years. It is called a single tax system. It seeks to address the real problems in this country. The problem is not just expenditure, it is also revenue generation. Unless we address both problems in tandem we still have a big problem.

To say we have economic problems because too many people are ripping the system off through social programs is wrong. I have addressed that. However, to turn a blind eye to the fact that we now have a growing underground economy and a tax system that simply does not work because it does not generate enough revenue, in a way that it is not a disincentive to industrial development and wealth creation, is wrong as well.

(1215)

In the proposal put forward by my colleague from Broadview—Greenwood we looked at a number of ways to have a single layer of delivery so that those who need assistance the most get the most assistance with a properly thought out program to raise them up and reintegrate them into the workforce and allow them become productive.

I have never met an individual who wanted to be on welfare. I have never met an individual who wanted to be poor. I have never met an individual who wanted to feel they could not give their children the basics of life. I simply have not met them and I have met a lot of people in my life.

This is an ideal opportunity for us to be bold, to go back to the principles that have made this country great, but also to allow in this debate a broader application of how we deliver our programs. I firmly believe that the proposal put forward by my colleague from Broadview—Greenwood on the single tax has some merits about how we can deliver on a single tier, how we can cut out layers and layers of government and bureaucracy so that the limited dollars that come from the same source called the taxpayer are focused and targeted to achieve the social and economic benefits on which I think all members of this House would agree.

[*Translation*]

Mrs. Dalphond—Guiral: Mr. Speaker, I rise on a point of order. I would like to ask for unanimous consent to sit through the lunch hour in order to listen to as many speakers as possible.

[*English*]

The Acting Speaker (Mr. Kilger): The House has heard the suggestion that we sit through the lunch period. Is there unanimous consent?

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Some hon. members: Agreed.

Mr. Jean H. Leroux (Shefford): Mr. Speaker, I would like to congratulate the member on his election. I also would like to congratulate the people of his riding for electing him. He made a speech this morning which is very pertinent.

[*Translation*]

This speech is quite consistent with the expectations of my party, the Bloc Québécois. He gave us his point of view very eloquently, and I would like to ask him a question. Does he agree that the reform we are about to undertake should not affect disadvantaged people in our society?

[*English*]

Mr. MacDonald: Mr. Speaker, I want to thank the member for his complimentary comments.

I fundamentally believe that. We have to be very careful in this country.

The poor and the disenfranchised, and that includes regions not just individuals, are all too often easiest hit when it comes time for government to redirect finances or to cut program expenditures.

I always believed in opposition and I will continue to believe it in government that the role of individual members of Parliament is to speak up for those that lack a voice.

When necessary cuts come forward the debate will continue I hope about who bears which part of the burden of those cuts. We can speak here for decades about who caused what to happen. The reality is that our present circumstances must be addressed.

I believe that any cuts in budgets, any reworking of the social safety net must first and foremost look after the needs of the most disadvantaged in society but also the disadvantaged provinces like Nova Scotia and Quebec that have to rely on equalization payments from the federal government unfortunately.

We all want to contribute. We do not want policies from any level of government that stop our individual citizens and our provinces from developing to the fullness of their potential. That really is the challenge of government after all.

Mr. John Williams (St. Albert): Mr. Speaker, I was interested in the comments of the hon. member for Dartmouth. I think we have a socialist in Liberal clothing over there. He talks about his belief in the state's responsibility to redistribute wealth. Those are the policies of my friends and colleagues who sit behind me as independents because their party was annihilated during the last election.

He talks about the redistribution of wealth and the social programs of which the Liberal Party is so proud. Let us remember that these programs were introduced back in the Liberal era of Pierre Trudeau and the just society, at which time he borrowed money and put this country in the position we are in today

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to pay for these social programs. He redistributed wealth to everyone whether they needed it or not.

(1220)

We can take, for example, senior citizens. The ex-leader of the Liberal party, the right hon. Pierre Trudeau, is receiving the old age security even though he is reputed to be a millionaire. Is that the idea of redistributing wealth of the hon. member for Dartmouth?

He mentions the fact that government can no longer deliver these programs. My suggestion to the hon. member is that we should be looking at social programs which direct the money to those in need, the poor in this country. We should not be making general sweeping blanket statements of redistributing wealth to all those who fall into any particular category as defined by the Liberal Party.

Mr. Ron MacDonald (Dartmouth): I am happy that the hon. member has asked the question.

If I listen to the policies of the Reform Party it does not believe that government should try as part of a national objective to ensure that no matter where one lives in this country that one has access to quality post-secondary education. Perhaps many members on the Reform side, if those policies and programs were not in place, would not have been able to attain the seats that they have. They would not have been able to find themselves in a position to get the education that has allowed them to work in their communities and to find a seat in this House.

Just maybe, without those darned Liberal policies that the member seems to be so intent on criticizing during this debate, some individuals would not have been able to access a health care system that ensures that people do not go bankrupt if they have a ruptured gall bladder in this country.

Just maybe, if the members of the Reform Party are so intent on supporting a system where there is no sense of collective ownership of wealth in this country, then some of their colleagues from Saskatchewan and some of their colleagues from the other provinces in western Canada would not have been able to get the basic services delivered to them in their home province that Canadians and members of the Reform Party have come to expect.

Mr. Cliff Breitzkreuz (Yellowhead): Mr. Speaker, I wish to extend to you belated congratulations on your appointment to the Speaker's chair. I wish you well as you and your colleagues guide the debate in this, the highest tribunal in the land.

I thank the people of Yellowhead for their support on October 25. I will endeavour to serve my constituents well.

In my comments I will be touching on two matters: first, a few observations about the riding I am privileged to represent; and, second, I will attempt to show what happened to countries that have attempted to spend themselves into prosperity. If we do not bring spending under control in this country, be it social or other spending, we may well find ourselves going down the same road.

First, I have a few comments on my riding. Yellowhead is a huge riding, the third largest federal riding in Alberta. It is interesting to note that geographically the configuration of Yellowhead is similar to that of the state of Texas. In addition, both are rich in oil and beef cattle.

Yellowhead also has huge deposits of gas and coal and an active forest industry.

Nestled in the Rocky Mountains is the jewel of the Rockies, Jasper. Our nation's most spectacular park, Jasper National Park, attracts tourists from around the world every day of the year.

The 90,000 plus people who live within the borders of Yellowhead are generally an independent lot. Business deals are still clinched with a handshake as entrepreneurs engage in the time proven activity of human endeavour, the free enterprise system. In general, unemployment is not the concern that it is in other parts of the country.

I am at once proud and humbled in the opportunity to represent and serve these people in this place. These folks are saying to me, as other Canadians are saying to their elected people, that enough is enough; enough spending on programs they do not want, they did not ask for and certainly do not want to pay for. Increasingly, people are realizing that government spending is taking us all down a dead end road to the precipice, to the brink. The brakes must be applied so that this nation can edge back from the brink of economic disaster.

(1225)

I commend the government for this social affairs debate. I am confident that it will seriously consider suggestions made in this House and elsewhere when the restructuring of these programs begin.

Overspending is not just a phenomenon of the 20th century. For centuries countries have overspent. History is littered with examples of great empires that have been reduced to shadows of their former greatness.

For centuries, economists, historians and observers have documented what causes dominant countries to experience economic decline. We need not go back to ancient civilizations, to antiquity for examples. We only need to go back to the early modern period, to the time of the gun powder revolution which set in motion some of the more profound changes in modern history.

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There is no better example of a nation that underwent an economic crisis by spending itself into oblivion than Spain itself, the great power of the early modern period.

Leadership of the Spanish government was dominated by out of control spending on the military, the bureaucracy, the church and the nobility. Today in Canada, the tax consuming interests find their equivalent in big government as well as transfer payments and subsidies to businesses whether they are private or crown corporations. Long after it became obvious that the Spanish economy was in trouble, Spain's leaders resisted every effort to cut costs.

Like many American and Canadian politicians today they could not believe that the money would ever run out. Each new setback to the economy was treated as an occasion to launch a brand new program. Taxes were tripled between the years 1556 and 1577. The great country of Spain descended into bankruptcy and has not really recovered.

Holland which escaped Spanish rule followed a similar pattern of decline. The historian Jan de Vries wrote:

Increased costs, particularly in the last third of the 17th century, robbed Dutch trade of its dynamism.

That observation should ring familiar as should another. I continue quoting:

And as so often happens in societies when new conditions threaten their leadership, an inflexibility permeated Dutch institutions.

As Holland went into decline, Great Britain ascended to global dominance. After two centuries at the pinnacle of the world economy this empire too went into decline. British leaders like the Spanish and Dutch before them responded to the crisis not by cutting costs but by proposing new expensive spending ideas. As a result taxes and spending increased dramatically.

As he watched his beloved country facing ruin, Winston Churchill observed:

I have watched this famous island descending incontinently, fecklessly, the stairway which leads to a dark gulf. It is a fine broad stairway at the beginning, but after a bit the carpet ends. A little further on there are our only flagstones, and a little further on still even these break beneath your feet.

After World War II the country that exceeded any other country in the world by any measurement rose to unprecedented heights in terms of economic and military might.

The superpower age was thrust upon the world with the United States leading the way. After almost half a century of unparalleled economic growth and world leadership, America now is showing symptoms of decline. These are high taxes, high prices, high budget deficits, a rapidly increasing crime rate, strong special interest groups, failures in motivation, a decline in education and everyday competence, a high tendency to import,

moral breakdown, loss of civic spirit and an increasing diversion of energies to non-productive pursuits.

Is Canada showing similar symptoms? The question begs the answer.

Thousands of people, business people and professionals, are putting forth their ideas to bring our financial house in order. Perhaps more important, there are millions of Canadians, ordinary people who get up each morning and go to their respective places of work. They are the people who carefully and prudently manage the affairs of their households and communities, who pay the bills, who pay to all levels of government. After all, there really is only one taxpayer. These Canadians in a growing tide are asking governments to take bold action.

(1230)

My home province of Alberta is once again leading the way as it has done in the past. Alberta's provincial government, to its credit, has recognized the folly of uncontrolled spending and program proliferation. Alberta is taking action now. Yes, there is and there will continue to be some pain as adjustments are made. As expected the special interest groups are protesting. As Margaret Thatcher observed a few years ago, they have the usual socialist disease. They are running out of other people's money. However the majority of Albertans, the people who pay the bills, agree that excessive spending had to stop.

A new Parliament represents a golden opportunity to change the way things are done. Now is the time to act. We must prioritize spending to save our social programs.

I will close with this. For all the problems we face I believe this is the greatest country in the world, but let us keep it that way. By getting our spending under control, not only for our generation, but for our children and our children's children.

Ms. Maria Minna (Beaches—Woodbine): Mr. Speaker, I find the history lesson from the member opposite quite interesting. I must say that as a history lesson it is intriguing, but I do not see how the dying days of imperialistic England have had anything to do with the current modern economies, quite frankly. I think that imperialism was dying nonetheless because what people were saying was a whole other issue. The hon. member is comparing apples and oranges, with all due respect.

I quite often hear the members opposite talk constantly about giving money only to those in need. Who are they? Every time I read something or I hear the members of the Reform Party refer to that quite often I come away with the feeling that means giving alms to the poorest of the poor and forgetting the rest.

We have just heard a very eloquent presentation in this House from the member of the Bloc party just recently on the issues of

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women which I support whole-heartedly as someone who has worked in this area for quite some time.

I want to ask the member if he could at the very least help me understand what his party really does mean by those in need. How would the member define those in need?

Mr. Breitzkreuz (Yellowhead): Mr. Speaker, I thank the hon. member opposite for the question.

I think I can safely say that there is no member of the Reform Party, let alone the Reform caucus, that would not deny assistance to anyone who really deserves assistance. However there are billions of dollars going to wealthy people, people who are making above average incomes. It is those people from whom we feel that payment should be withdrawn.

For example, the Fraser Institute and economists from all over have shown studies that 30 per cent of wealthy people receive 30 to 40 per cent of government assistance. That just is not fair. It is not fair to those millions of average Canadians who are earning \$20,000, \$30,000 or \$40,000 a year. It is not fair that the tax dollars that these people pay, and God knows they are paying enough, go to people in this upper strata.

Mr. Gar Knutson (Elgin—Norfolk): Mr. Speaker, I would like to acknowledge the point that the debater makes. I too share his concerns with government spending. I share his concerns with making sure that government programs fall on those who are most in need.

(1235)

I would like to ask him if he is familiar with a little bit of history called the depression of the 1930s in which the economy settled in to a long and profound period of contraction, serious unemployment and serious poverty. The great thinker John Maynard Keynes pointed out that this equilibrium had huge numbers of people suffering through no fault of their own, much like the recessions that we have had since and that it required government spending to increase aggregate demand and thereby increase employment numbers.

If we were to cut spending the way the Reform Party has said we should, balance the budget within three years, would that not make a bad situation worse by cutting aggregate demand and increasing unemployment and increasing poverty and thereby making the situation much more difficult than it is already?

Mr. Breitzkreuz (Yellowhead): Mr. Speaker, I thank the hon. member for the question. We have to remember that the depression occurred during a time when there was not the government involvement in the economies that there is today. Things went relatively quickly once the crash occurred.

All we are doing today by this overspending is procrastinating. We are charging it to the future. I suspect, and there are

economists that say this as well, that when that day comes when we cannot spend anymore and when foreign lenders will not lend us money anymore, what happened in New Zealand will also happen in this country. We certainly do not want to see that. That is why we say we have to stop spending now and prioritize spending.

Mr. Wayne Easter (Malpeque): Mr. Speaker, I might say in the beginning that embarking on this major comprehensive change to the social safety net is a bold and much needed move by the new government. I pleased with the process that the Minister of Human Resources Development has established which will involve people in terms of those discussions.

As well I might point out that in this initiative, along with the first budget of the new Liberal government, we must demonstrate to all Canadians this is a new government with a new agenda which places jobs and opportunities for all Canadians first and foremost.

While taking control over the deficit and debt is critical, we must not fall victim to the neo-conservative obsession of the past nine years which has directly contributed to the current crisis in Canada in terms of job losses, social unrest, increased poverty and disillusionment throughout the country.

It will be important for this government to outline to Canadians the limits within which we as government can work with respect to developing new made in and for Canada economic and social policies, especially so given the various trade agreements in which we now find ourselves.

For example, we have to address the issue in the very near future of the kind of federal provincial transfer system which will provide the critical social infrastructures for most provinces. As a nation and as a government we must ensure that all Canadians have equal access to programs under those economic and social policies that we implement.

Professor Tom Courchesne, a proponent of free trade, pointed out that an east-west transfer system does not square well with north-south economic integration. If Courchesne is correct, the future of our ability to provide for the means of our critical social programs throughout Canada could be at risk.

Our economy is still having to adjust to the Canada-United States Free Trade Agreement and is now faced with both NAFTA and GATT. Canadians do not want this government to merely administer trade policies negotiated by the previous government, they want a proactive government which will ensure that policies emerging from these trade deals reflect Canadian needs, not just the economic and foreign interests of our neighbour to the south.

The Prime Minister has stated clearly that he will operate on these deals in the interests of Canadians.

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(1240)

As members in this House, we must be forever vigilant that economic trade agreements do not force us to the lowest common denominators in social programs under the guise of economic competition. We must work toward bringing up the social, labour and environmental standards of the United States and Mexico, our trading partners, and not buckle under to the pressure of reducing our own programs.

Let me turn for a moment to what is perhaps one of the greatest social tragedies in this country over the last nine to twelve years, the farm financial crisis.

I want to try and put that in some kind of context in terms of where we are coming from and where we are going and what we have to do to offer some hope for the future.

I maintain it is a real serious social tragedy in our rural areas. The farm crisis, to a great extent for political and global trade reasons, has become accepted to a great extent around the world. It has become almost normal in our society to hear of farmers going broke and governments really not doing much about it. This acceptance ignores the reality in personal terms in which farmers and farm families and farm communities find themselves.

Let me put that into perspective. In 1988, after eight years of farm crisis in this country, the House of Commons in its agricultural committee report talked about a debt of \$22 billion. After implementing the Farm Debt Review Board, farm adjustment program and other subsidies, in 1992 we found ourselves after the loss of thousands of farmers still in debt to the tune of \$23.9 billion.

How serious is this? It is very serious. It means that if we were farmers in this room, if you looked one person to your left and one person to your right, one of you would be in serious financial trouble, faced with the possibility of losing your farm. That is the kind of situation we find ourselves in today.

In my province of Prince Edward Island in 1991, according to census figures, we had 2,361 farmers, a decline of 16.7 per cent since 1986 and a 48 per cent decline of farmers since 1971. Are we any better off today because we have lost these farmers? No, we are not. We have deteriorating communities, a deteriorating base on which to base community programs, rinks, social affairs, educational systems and so on, a very serious matter.

How do we put a human face on these figures in terms of social problems? It is an issue that you really cannot understand unless you have experienced it. I call it economic violence, a loss of pride in terms of those farmers affected, a feeling of failure, increasing farm suicides, increasing family split-ups as a result of this very serious economic problem at the farm gate.

Even with these facts and figures we continue to see over the last nine years, coming out of Agriculture Canada and the Government of Canada, an acceptance that we must follow the trend that the market should make all decisions. We are seeing that increasingly so in the new era of globalization.

There are some who would say on the other side of the House that the free market should decide all things. I disagree very strongly with that and I hope we do as a government.

Some people will say let us be competitive. Let us look a little deeper into this competitive approach for a moment. What is the nature of competition? Basically, the nature of competition is that you get into an economic game and your objective is to destroy the competitor. In the current kind of trade and economic policy that we are moving toward in terms of these globalized trade agreements, the object of the game is to pit farmer against farmer in communities, between countries, between provinces, across borders, in a game of trying to lower your prices in order to access the market and in the process destroy that farmer in that other area.

(1245)

That is not the answer. We must move forward with economic and social programs that bring in regulatory control, put in place marketing programs like the Canadian Dairy Commission, the Poultry Marketing Board, the Canadian Wheat Board, to implement agricultural policy in the interests of rural Canada and farmers.

The approach that has been going on for the last nine or ten years is leading to greater and greater exploitation and I believe to competitive poverty.

I do not believe it has to be this way. We must restore, as a new government, a sense of direction and a sense of purpose. As I mentioned a moment ago, we can introduce marketing programs. We can, through our power as a federal government, expand and strengthen farm debt review boards to deal with these cases that are in serious financial trouble.

This is one member who is going to work toward those objectives.

I do not believe we can allow the pressure to adapt and adjust to the blind blameless free market on a global basis to deter us from doing what is right in terms of the social and economic future of rural Canada and Canadians.

There are a number of other areas that I had hoped to speak on for a moment but I see that I am out of time so I will sit down and receive questions.

Mr. Ted White (North Vancouver): Mr. Speaker, I would like to thank the hon. member for bringing up farming in relation to social support programs. As the member may know, I am originally from New Zealand where farmers were heavily subsidized to grow things like fat lambs and all sorts of products

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that the world did not really need. Huge stocks of butter and lamb were put away in freezers for years and years.

As the member may also know, in New Zealand when there was a sudden debt crisis the subsidies ended rather abruptly, putting farmers on the same basis as other businesses. After all, farms are businesses.

I would like to give the member an example so that I can ask him a question. In New Zealand when the subsidies ended a lot of farmers initially went broke. It created a whole new climate for farming in which there had to be creativity and a look at where the market really should be.

All of the beans for beans and pork had been imported from the United States since the beginning of time. No one in New Zealand grew beans for baked beans. Today, because of the loss of subsidies and new creativity, New Zealand has become an exporting nation of beans to Australia and back to the United States.

There are more farmers in business today in New Zealand making more money than they ever did under the subsidy programs. I would like to ask the member if he agrees that there needs to be some responsibility taken by the farmers to look for new markets and new opportunities in new products instead of always relying on the government to bail them out.

Mr. Easter: Mr. Speaker, I thank the member for the question. I happened to be in New Zealand when the value added tax was brought in and I saw first hand the destruction of many of the rural communities as a result of doing away with the subsidies to the farm community.

The subsidy question has become a misnomer in that during the GATT talks the whole thrust of the negotiations was how to do away with subsidies. Subsidies became the issue when really subsidies are the symptom of a greater problem globally, low farm income, which is causing the destruction and the deterioration of rural communities and a loss of farms world wide.

Instead of just targeting subsidies we must look at the real problem which is a global agricultural policy creating lots of profits for the global corporations in terms of trade issues as they try and have farmers in one nation compete against another in order to access cheap supply to undermine producers in another area and profit in the process.

(1250)

Therefore we have to look at this much differently globally in terms of looking at actually returning the cost of production to farmers for the products they produce wherever they produce them around the world. Certainly there are lots of hungry people around the world.

The other point the hon. member makes is with regard to farmers marketing their products. We have some great examples of that in this country. In fact farmers are doing that.

One of the best examples is the Canadian Wheat Board. Canagrex was a good agency which would use market intelligence and go out to sell farm products in the interests of the country and producers, but the previous administration canned it.

The Canadian Wheat Board is a tremendous agency in terms of pooling the resources of producers, acting as a single seller of export wheat and barley, accessing the marketplace in other countries, setting the delivery system in place and returning to producers the best return for the product available in that international marketplace.

Mr. Bill Graham (Rosedale): Mr. Speaker, some hon. members may know that my riding of Rosedale is located in the heart of downtown Toronto. Its population encompasses people who are very fortunate and are members of the business community who are surviving in the present economic environment to those who are far less successful in the present environment, to the elderly and young people who are dependent upon the support systems which Canada has developed to create a better and humane society.

I am particularly conscious of the need to adjust our programs to achieve a decent balance for the need of job creation and also to protect the less fortunate members of our society.

If we were to go to Rosedale riding to areas like Moss Park, Regent Park or St. James Town and speak to the elderly people there they would find little comfort in the words from the former speaker from the Reform Party who drew an analogy to the collapse of the Spanish empire.

It was a very interesting analogy of several hundred years ago. It did collapse from a dependence on slave labour and importation of gold from the New World and a lot of other problems that were developed in the 16th and 17th centuries. However we live in a modern world with different problems. I would urge upon this House that we must approach our problems from a modern perspective and I am going to get to that in a moment.

Part of the modern way in which we must approach our problems is to understand what those problems are. Parachute Community Employment Centre in Rosedale riding has produced a very interesting report. I would be glad to make it available to all members of this House.

The survey was prepared among the people of Regent Park who are consumers of many of the services that are going to be the subject matter of the minister's task force and study when considering the way in which we go about reforming and

readjusting our delivery of services that are of need for Canadians to fit modern realities. That survey offers some very interesting statistics.

Seventy per cent of the people who were surveyed told us that they could make more money taking welfare than getting jobs. That is not an argument for lowering the amount of welfare payments. It is an argument for that which the hon. member for Malpeque was pointing out with respect to the agricultural community.

The problem is that the available jobs and the training people have for those jobs are not sufficient to enable them to take advantage of the modern marketplace. Therefore the people we spoke to in the survey were telling us that what they need are better training programs. For that they need English as a second language and for that they need literacy.

Many of them were young women. Evoking the words of the member from Quebec who spoke recently, 25 per cent of the women who were interviewed lost or left their jobs because of inadequate daycare. Once out of the job market it makes it very difficult to break back into it.

Therefore trying to get a more adequate daycare program going in this country is a very important part of the red book and an important part of the Liberal program.

(1255)

I would like to turn to a different perspective on this issue. To some extent it echoes the words of the member for Malpeque. It is the perspective of the global economy.

We have to recognize that if we are going to craft a solution to our problems in Canada today whatever they are, whether we are speaking of social policy, taxation policy or other policies, we have to look at the reality of the world in which we live.

Today we live in a global economy world. It is one in which we have recently seen the GATT changes which brought much anguish to many members of this House when they tried to come to grips with the problems that is imposing on our agricultural communities. It is the world of NAFTA and a world of free movement of capital, of goods and more and more, of peoples.

Unless we take that fundamental fact into account when we are addressing this issue of social policy changes we will fail in what we adjust. We cannot craft and create solutions to problems which are and will always be uniquely and particularly Canadian but we must take into account the global realities of the world in which we live.

In that context I would like to draw the attention of the House to a report from the International Labour Organization which was reported in today's *Globe and Mail*. I would like to take the opportunity to read some of that report:

Thirty per cent of the world's labour force is either out of work or underemployed—a global jobs crisis gripping both rich and poor nations, a United Nations agency says.

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"It is a crisis that in some countries could really explode and undermine the social fabric very badly," said Ali Taqi, chief of staff of the International Labour Organization.

The Geneva-based ILO estimates that more than 820 million people worldwide are either unemployed or working at a job that does not pay a subsistence wage.

This evokes the words of the hon. member for Malpeque who just spoke about the problems of our farm community. Further on in the article it states:

Mr. Taqi said the global jobs crisis is not just the result of the recession that has plagued the world economy in recent years.

It is something more endemic and longer lasting than that and reflects the rapid pace of technological change and increasingly fierce global competition.

I suggest that part of the answer to our problems in our social programs and our social agencies lies in our need to see how we fit into this global context and the need to address an international answer to the problem.

We cannot go this alone. We need the International Labour Organization. We need to work with the social charter within NAFTA and our other trading partners if we are to have long lasting solutions to our problems.

[*Translation*]

On that subject, I would like to say a few words to my colleagues of the Bloc Québécois who talk passionately about preserving social services in this country.

I know from experience that the world we live in today is not a place where it is possible to solve problems by acting as an isolated country, with an individual perspective; quite the contrary. The solution today is global. Take the European Community for example; more and more Brussels is the one to determine solutions. Why? Because Spain by itself cannot solve its problems; France alone cannot solve its own problems. Therefore, the European countries have to work together to find a solution.

I suggest we have the same kind of situation here in Canada. In order to solve social problems in this country and to face the difficulties created in a way by the United States, we must have a national policy. We will not solve problems by creating more tariff or non-tariff barriers between various regions of Canada but by working together to ensure our security. It is through co-operation and hard work leading to a strong economy that we will solve these problems.

Therefore, I ask my colleagues of the Bloc Québécois to review this issue with the other members of this House and to co-operate with them in order to find Canadian solutions, efficient solutions which will apply to national and international problems alike.

(1300)

[*English*]

On that point, Mr. Speaker, I see my time is drawing to a close. I would like to complete my remarks by going back to what I heard the member for Malpeque saying. I would to some extent differ from him on this. I am not sure that the solutions to our

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problems are something we are able to construct by ourselves without facing the facts of the international world in which we live.

It seems to me that our duty as members of this House is to look and serve as a prism to the global world. If it is a world of greater competitiveness and greater free trade, then we must serve in a way in which that international world may be brought to our fellow Canadian citizens and then turn around and craft solutions to problems which are both local and global and take into account that global context.

I am confident that when the minister responsible, the task force which he sets up and the members of this House examine these questions, they will be looking for solutions which are both local and global, but will also take into account the need for a strong Canadian solution to our problems. That in turn will enable us to exist in a global environment, one that is more and more difficult but one which forces us to provide solutions for our citizens which will enable them to live with dignity in our own country.

[*Translation*]

Mrs. Francine Lalonde (Mercier): Mr. Speaker, I feel I must comment on what was said by the hon. member who was referring directly to my party when he asked us to forget about implementing solutions like a separate country that would be too small. I can inform him that there are small, developed countries with a vigorous economy and social programs and a standard of living that are enviable.

The globalization we are experiencing today will actually make peoples who may be part of several nations, and this is no mean task, want to defend their identity. Identity also extends to social security programs and how they are organized.

Many members have spoken to defend Canada's social security system, and I can understand that. I also heard them mention its defects and that it needs to be modernized. In my speech in reply to the speech from the throne, I discussed many shortcomings we in Quebec have noticed for a long time and have been trying to remedy in negotiations with the federal government. Although we saw what the problems were and wanted to make adjustments and save money, which is indeed a priority today, the federal government constantly objected to our proposals. I will get back to this problem, but it seems to me that although we should listen to what hon. members opposite have to say, they should listen as well and realize there are two social security plans in Canada at this time, a Canadian system and a Quebec system.

Mr. Graham: Mr. Speaker, I thank the hon. member for Mercier for her comments, and although my answer may not be entirely adequate because I have not had time to develop this aspect, I am sure that during this Parliament there will be

opportunities for discussion to clarify our thoughts on the matter.

To get back to your comment on small countries, if we take, for example, the European Community, small countries which maintain their identity can do so because they have agreed to give up a certain amount of their sovereignty within a broader context. I can say that to the people of Ontario, there is no difference. Fine, we in Ontario could say that we want our own solution. Everybody wants his own solution, but we have to look at the facts. We have to be practical.

(1305)

Everybody cannot have his own solution. The problems of GATT are a good illustration of this. Canada wanted to keep the supply management system we built up over the years, but we could not keep it any more. The other countries would not agree. We have to face the facts. It is not just a matter of saying what we want. The important thing is what we can accomplish.

In this situation we have to look at the global economic climate and our own resources. I believe that it will be much easier to deal with these problems as Canadians than as individual provinces.

Mrs. Dalphond-Guiral: Mr. Speaker, I rise on a point of order. I want to inform the Chair that, from now on during this debate, the speakers for the Official Opposition will use 10-minute periods, followed by 5-minute periods for questions and comments.

Mr. Maurice Dumas (Argenteuil—Papineau): Mr. Speaker, I have the honour of being the critic on issues affecting seniors. This is probably because of a certain wisdom I gained along with my white hair. My field of responsibility includes issues related to andragogy, gerontology and geriatrics. These are issues which must be examined with a very human approach.

During the referendums and election campaigns in Quebec, the opponents of sovereignty for Quebec took advantage of the insecurity of some older people and tried to scare them by saying that they would lose their old age security pension if Quebec became a sovereign nation, arguing that the government of the province would no longer be able to pay for their pension.

Thank goodness, many seniors no longer believe those lies. The results of the 1992 referendum in Quebec as well as the election of 54 members of the Bloc Québécois are obvious proof of that.

The issues concerning seniors are partially dealt with by two departments: Human Resources Development and Health, as well as by the Seniors Secretariat, which is responsible for

providing to seniors information on federal programs and services, while also ensuring liaison with federal and provincial departments implementing programs for seniors.

Also, the National Advisory Council on Aging advises and helps the Minister of Health regarding the quality of life of seniors, either when the minister submits issues to the Council or when the Council itself decides to act on its own. Its role is to circulate information and, among others tasks, to publish reports.

So, why is there no secretary of state responsible for issues relating to seniors, since this is an area of vital importance?

Recent studies reveal that one person in eight is over 65 years of age. In the next ten years, the number of people over 65 will increase by at least 40 per cent.

The baby boomers are now in their forties. In 1981, 19 per cent of Canadians over 65 years of age were in their eighties. In 2001, that is 20 years later, this proportion will be 24 per cent. Life expectancy is increasing, along with related problems.

More and more people over 65 years of age will have to rely on the ability to pay of those workers aged 15 to 64. Around the year 2011, for the first time ever, there will be more older people than persons aged 15 or less. Moreover, this group of older people will be better educated than today's seniors.

(1310)

All these factors show us the importance of planning for the future, starting today. Of course there are many programs to help seniors, but the isolation of seniors means that most of them are completely uninformed and unable to take the necessary action to obtain this information. We absolutely must encourage seniors to be independent, by letting them join society and not by keeping them apart.

Most seniors prefer to live at home, to take care of themselves and to make their own decisions about their life. According to journalist Monique Richer of the daily *Journal de Montréal*, there is a big problem among seniors: the suicide rate of people aged 65 to 80 has increased significantly in Quebec, since the suicide rate of seniors has risen from 10.1 per 100,000 in 1977 to 21.9 in 1987. Montreal has a service called "Suicide Action Montréal" but it seems to be little used, unlike other services for young people or other groups.

Seniors must also be given access to information on health services. Our health system is among the best in the world, but spending on health is growing faster than the population and inflation. Canada spends over \$60 billion a year on health. Obviously, as people grow older, they have health problems and often lose independence as well.

Formerly, our ancestors kept old people at home with them, but today, with our new lifestyle, for both young and old, living together no longer seems possible.

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We cannot improve seniors' quality of life by isolating them, nor will we save money by cutting benefits under the Canada Pension Plan, since these income changes would cost taxpayers dearly. We must not confuse old age security pensions with welfare benefits.

[*English*]

Mr. White (Fraser Valley West): Mr. Speaker, I rise on a point of order. May I ask for a quorum call.

Mr. Duhamel: Why would you do that?

The Acting Speaker (Mr. Kilger): We have a quorum.

[*Translation*]

Resuming debate. The hon. member for Argenteuil—Papineau may continue his speech.

Mr. Dumas: Mr. Speaker, I would also like to point out that half of our seniors receive income security benefits and are caught in a cycle where all they do is keep waiting for their cheques. Removing programs for the elderly, eliminating current services or lowering pension costs would not improve the lot of the elderly.

The elderly are not rich people. According to Statistics Canada, 1991 data show that almost half of retired seniors, 43.8 per cent of them, are living below the poverty line. This is a serious problem, and let us not forget that the seniors want to be a part of Canadian society.

Therefore, the government must ask one of its members to resolve that sensitive issue, because previous government measures only succeeded in keeping seniors inactive, isolating them and making them feel financially insecure.

(1315)

So, to improve the quality of life of our seniors, we must make sure their living quarters suit their needs and allow them to stay at home, and lower the outrageous costs of seniors' residences, hospitals, et cetera, by providing, for example, home support, transportation services, recreational programs, and more.

We need to set up a 24 hours a day, seven days a week information system and to promote it. The federal government has released \$3 million for the installation of new telephone equipment needed to answer inquiries about old age pensions. Seniors also need to be informed of the existence of such services and to be provided with other similar services related to their health, lodging, et cetera.

Additional resources are needed to reach incapacitated seniors, if necessary. As recommended by a Canadian seniors association, a standing national commission must be set up to protect the rights of seniors who want to keep on working.

Finally, I would like to remind you, Mr. Speaker, that every year seniors represent a higher percentage of our population and

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that the government must take into account their active presence when it puts forward its new policies.

[*English*]

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, the hon. member has put forward a number of points of view about how he thinks the interests of his constituents, residents of his province and all Canadians would be better served by this type of review.

Normally when you deal with wholesale restructuring any institution, any group of programs, any fundamental policies you would normally start out with certain parameters in mind, certain givens.

I do not want to say sacred cows because there are no such things.

We heard from the Reform Party earlier that what it wants is to cut, cut, cut and it is not so terribly concerned about the impact of those cuts. I have listened intently to members of the Bloc Québécois, who are not interested simply in cutting, that is not what they are saying. They want to build a better system to ensure that those individuals needing help the most get it.

I would like to ask the member if he could give me a few ideas as to the parameters that this review should take place in and what should be the starting point. What should be the givens as to what we are trying to attain.

Is it to make sure that income security for seniors is maintained? Is it to ensure that transfers to the provinces are maintained at a level that would allow the provinces to have services of equal quality no matter what the fiscal situation of the province is? Is it just to maintain transfers to provinces such as Quebec to administer provincial social assistance programs?

I just throw those ideas out. If he could give me some sense about what he would like to see maintained and built upon in this review it would be helpful to me.

[*Translation*]

Mr. Dumas: Mr. Speaker, I listened with great interest to the remarks of my colleague opposite. There is something I need to point out to him. When the *Coalition des aînés* met in Montreal, in the riding of my hon. colleague from Notre-Dame-de-Grâce, I had the pleasure of meeting, at the Golden Age, members of this organization which brings together various associations of senior citizens and retired workers in the province of Quebec. These people are very much afraid of seeing either their pensions or the services they receive cut. By the way, I want to tell my colleague from Notre-Dame-de-Grâce that it is with great pleasure that I visited this huge centre where seniors can go to take part in recreational activities or to receive health care and other types of services.

(1320)

I must tell my colleague opposite that we, members of the Bloc, do not want any cuts that would affect seniors. It is the same with transfers to the provinces. The amount of money transferred to Quebec must remain at the present level. We do not want any change in these transfers.

[*English*]

The Acting Speaker (Mr. Kilger): The member for Calgary Southeast is seeking the floor but has a very little time. I would ask her to please keep that in mind.

Mrs. Jan Brown (Calgary Southeast): Mr. Speaker, my question will be very brief.

I appreciate the member's comments regarding seniors but he and all of his colleagues have been directing their comments toward asking for continued federal and provincial support for programs. They have been asking the federal government to continue to fund the different and varied social programs within their provinces. They have also been talking about federal and provincial co-operation.

Given all that, how is the member going to meet his mandate for separation when he has expectations such as he has just expressed for co-operation between the federal and provincial governments?

[*Translation*]

Mr. Dumas: Mr. Speaker, I am pleased to answer the question of my hon. colleague of the Reform Party. I have to admit that what I dealt with in my comments pertains more specifically to Quebec. But since I am the official opposition critic for all senior citizens in Canada, I would certainly not advocate anything detrimental to other provinces. Those things we suggest for Quebec, which is still part of Canada as far as I know, apply as well to the other provinces.

When Quebec is a sovereign nation, as I hope it will be in the coming years, we will stop paying taxes to Canada at some point. We will then be able to afford the same services our senior citizens get right now.

Mr. Réal Ménard (Hochelaga—Maisonnette): Mr. Speaker, I welcome this opportunity to take part in this debate on the funding and future of social security programs.

For Canadians and Quebecers, these programs include a set of services ranging from an income security policy to the Canada Pension Plan and a host of other services.

As I prepared this speech, I reflected that one could not engage in this debate without considering a number of circumstances that make this debate a rather painful exercise. The government that tabled this motion belongs to the same party which was elected nearly 25 years ago on a promise to build a just society that, at the time, under the leadership of former

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Prime Minister Trudeau, would be based on the principles of equality, fraternity and liberty, principles that inspired me and probably inspired you as well, Mr. Speaker.

I reflected that after 25 years, it was time to consider what has been accomplished, because if we examined our social programs, we must also consider the people who at some time in their lives may need government assistance. And it is sad to have to conclude that 25 years later, poverty has not diminished. Not only that, it has started to affect groups in our society which were normally assumed to be immune.

Of course, when I talk about poverty, I use the term as defined by Statistics Canada. In other words, being poor means having to spend 56.2 per cent of one's income on food, shelter and clothing.

(1325)

As parliamentarians, we are being asked to discuss restructuring social security programs at a time when Canadian and Quebec society are in very bad shape. Granted, poverty has changed. In the seventies, when the Senate did its wide-ranging study on poverty, being poor was associated more with the elderly in our society. This was so true that the cover of the Senate report showed an ailing, toothless, elderly woman, and that was more or less the image we had of poverty.

In the 90s and as we approach the turn of the century, poverty has changed. It now has a new face. It affects young people between the ages of 18 and 30 who do not necessarily lack training. Single parents are particularly affected. It is also a fact of life for those workers who, after spending part of their lives as active members of the labour market, are suddenly excluded because of technological change. There are people who worked for 15, 20 or 25 years as part of the so-called labour aristocracy and who made a good living.

I think that the government's role is to provide these people with generous, accessible and transferable services, and I was delighted when I heard the Minister of National Health and Welfare announce her position during the reply to the Speech from the Throne. That is how she defined social security programs and that is also my understanding of what they should be.

What I find rather disturbing, and this is where I disagree with the government, is that for the past ten years, in any discussion on public finances and government policy, there has always been an attempt to reduce the debate to mere dollars and cents. For the past ten years the government has been proposing spending cuts as though that were the only game in town. Of course there are ways to save money and of course there is too much fat in the government administration, but I think we are asking the wrong questions.

If we are convinced that providing social security programs is not a matter of choice but a reflection of our level of civilization, the question should be how we can access additional sources of revenue.

Even in a zero deficit situation, we will need more resources to be able to fund social programs at the levels that will be required in the years to come.

We in the Bloc Quebecois realize there are several alternatives for obtaining additional revenue, and we think that this exercise is not just a matter of making spending cuts haphazardly without being overly concerned about the repercussions. One alternative that should be considered is that of tax reform. As we have said repeatedly, we are talking about a review of the corporate tax system. We know for a fact there are people in our society who are not doing their fair share.

On the government side, there is a consensus that Canada has done everything humanly possible to tax corporations. However, when we look at what Canada raises in the way of revenue, when we look at the tax rate for corporate profits and compare it with the rate applied in other countries, including the OECD countries which we often use as a benchmark, you would be surprised to hear that the tax rate for corporate profits in 1990, for instance, was 39 per cent in France, 50 per cent in Germany, 46 per cent in Italy and 50 per cent in Japan. Meanwhile, in Canada it was 29 per cent.

To me it is clear that if we want to discuss the viability of social security programs, we also have to talk about the tax treatment of corporations.

Furthermore, and at this point I want to recall some comments one of our colleagues made with a great deal of conviction, and although I did not agree with the substance, I must say it was very well said, I believe that the ultimate test for any changes that are made in the years to come will be that they will have to help people find jobs.

(1330)

Putting people back to work has to be more than a few empty words with little backing: jobs, jobs, jobs. Some countries manage to have 80, 90 even 92 per cent of their population in the work force. Can you imagine having 92 per cent of the labour force actually working! And strangely enough, these are small countries. These are countries which decided to implement a full employment policy. Such a policy is not an irrelevant concept. To make it work, it has to become an obsession. The government must make the decision, get all the partners together—unions, employers, corporations, professionals, students—and ask them to endorse the choices made for our society and to help achieve them. Naturally, you are going to tell me that Canada has a special problem, because it has two levels of government and ten regional labour markets competing with each other, and I agree. This is why I am a sovereigntist. This makes it very

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difficult to set up the elements, the goals, the main guidelines of a full employment policy.

(1335)

I would say that in the years to come, we will not have a choice, we will have to aim for full employment, and this will mean more involvement of government in people's lives. What we have been hearing for ten years, and what the government side is still more or less advocating, is that the best government is the one that governs the least. I do not agree with that. I think a government has responsibilities and must take action. I am going to give you the example of an area in which it would be useful that the government not only did not cut its spending, but rather increase the resources, because it is an area which creates jobs and has a high rate of return, and that is social housing. When you build a thousand units, you create 2,000 jobs. This is a good investment with a high rate of return.

Yet, we are in situation—and this will be my conclusion, because my time is almost up and I would not want to break the rules—which shows that it is not true that the best government is the one that governs the least. I believe that the best guarantee we can give to people that we will maintain strong, accessible and generous social programs is to target government spending towards areas that generate large spin-offs because one of these areas on which we can bet for the future is social housing.

[English]

Mr. John Williams (St. Albert): Mr. Speaker, I extend my compliments to the member for his excellent address on social problems and so on in this country.

He seemed to think that the problem with social programs today is the problem of lack of revenue, not a problem of too much expenditure. Then he went on to elaborate on his thesis that we should have more corporate taxes and more income taxes.

The member for Calgary Southwest said the other day that we are close to a tax revolt in this country because taxes are so high. Corporate profits have plunged by billions of dollars. Tax revenues have gone down this year. The hon. member still thinks that we have a problem with not enough revenue rather than too much expenditure.

There is always talk about social programs as categories of having to pay money to seniors and to the unemployed. What about the need? There are some people who are elderly and have lots of money and are in no need of additional assistance. There are a lot of people who are unemployed making \$50,000 or \$100,000 in the same year who perhaps should not be eligible to receive unemployment.

My question to the member is when does he think that we should stop this idea that the problem is not enough revenue, that the problem is too much expenditure being directed in the wrong places?

[Translation]

Mr. Ménard: Mr. Speaker, if we all thought alike in this House, your task would be much easier, but also less interesting.

What we have here is a good example of a fundamental difference of opinion. Of course, some expenditures could be reviewed; it is a premise and I understand that. But it does not seem to be the real problem. When I speak about reviewing personal taxes, I am not saying to my hon. colleague we should review personal taxes. I think there is a good enough consensus on this, except maybe in the case of the very rich, because Canada is the only OECD country not to tax wealth. I am sure the hon. member is aware of that.

What I am saying to him is that we will have to strive to find additional revenues because the pressure on social programs will not disappear, because our population is getting older and because there are social evils inherent to the type of society we have in Canada in 1994. And that type of society is one where 50 per cent of the people have part-time jobs. When you hold a part-time job, you have 7 chances out of 10 of becoming poor at one point or another in your lifetime. These jobs are precarious and poorly paid and they offer no security whatsoever. Since this is our reality, since this is what we have to deal with, there is no magic formula, there is no way we can close our eyes and just hope the situation will change.

There are a few possibilities though if we want to find additional revenues. Would my hon. colleague agree with me that, if we look at tax rates in the industrialized countries with which we usually compare ourselves, Canada has not yet tapped every source of revenue it would be entitled to? Would he not agree that there are sectors where, if the government wanted to act, it could put money back into circulation, it could leave more money so that people could take care of themselves and would not have to turn to social services? This would seem to be an interesting approach.

[English]

Mr. Ronald J. Duhamel (Parliamentary Secretary to Minister of Public Works and Government Services): Mr. Speaker, I am delighted to be given the opportunity to address this question because it is one of the more important ones that we will be discussing for several months no doubt during this 35th Parliament.

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There are a number of basic questions that we need to study together in the spirit of co-operation and openness. Obviously we bring forth different values and different views. I accept that and respect it.

Perhaps the first and most fundamental question for me concerns what programs we need as a nation in order to respond in a very generous and fair way to Canadians in need?

That begs another question immediately. Who identified these Canadians in need and who defines what a particular need is? Clearly the government has a great responsibility in doing that. It has also indicated by virtue of the debates that it has held on a number of questions such as peacemaking, cruise missiles, the pre-budget debate and this debate that it is interested in the views of all parliamentarians. The government is to be applauded for having taken this initiative.

What the Liberals want is a restructuring of our programs to meet more needs with greater efficiency. I would hope that we can embrace that priority, that goal, that objective. This is the Liberal position and this is what we, as members of the government, are going to fight to have happen.

Without being malicious or unkind, as I understand the various comments that have been made, the NDP, for example, and I can speak primarily of Manitoba because its members are more numerous there proportionately speaking than they have been in the House, is really saying do not touch anything. Do not touch any of the social programs.

I am sure there will be a number of members who will be anxious to correct me if I misinterpret the Reform Party. I would welcome that. The Reform Party has been described by other colleagues as cut, cut, cut or slash and burn. Those are not my words but I have repeated them. I would prefer to be a bit more dignified and say dismantle and rebuild. Perhaps it comes to the same thing.

(1340)

[Translation]

It seems to me that we have already been told that all the Bloc Quebecois does is talk about is Quebec. I do understand how important Quebec is for the Bloc, but it should remember that it is the Official Opposition and that, as such, it must speak for all Canadians, and represent them all, from coast to coast.

Quebec, or rather the Bloc Quebecois, is asking for a transfer to Quebec, with no strings attached. But this raises the following fundamental question: Why only to Quebec? It seems to me that overlapping and duplication represent a problem not only in Quebec, but also in the rest of Canada.

Overlapping and duplication happen in two ways: between the federal government, the provinces and territories, and within

each jurisdiction; and within the federal government, the provinces, the territories, and sometimes even within municipal governments. Co-ordination does not always exist even within a province or a region. The fact is that we have three levels of government, where overlapping does occur, and the issue is not raised often enough.

Members on all sides want to get rid of overlapping which is very costly for Canadians. Why? So that we can respond in a better, more efficient way to the needs of all Canadians.

[English]

There have been some references this morning with respect to child care. I want to remind all members that the Liberal Party of Canada which has been chosen by Canadians to govern has made a commitment to child care. It is a very responsible one, up to 50,000 places per year to a total of 150,000 providing the economy grows at 3 per cent or more.

In the current economic situation in which we find ourselves, with a debt which has exceed \$500 billion and a deficit in the range of \$45 billion, surely linking this kind of program for those most in need with those particular conditions, 3 per cent growth, is a responsible decision.

When we talk about funding our social programs it seems to me that we cannot avoid talking of taxation, revenues and expenditures. One option is to reduce, cut, slash, call it what you will. Another is to recognize the fundamental issue, on which we are all in agreement, that the middle class in particular feels that it cannot bear any more taxes. It is angry. There is anger out there.

However, there is another issue and I do not say it in an arrogant and pompous way. Are there others out there who are not paying their fair share? It is true that there are influential and rich families able to shield millions or perhaps even billions of dollars? Should we be asking questions such as should there be an inheritance tax in this country?

Is it true as well that there is money being transferred to other countries and being shielded, at least in part, from taxes being paid to Canada for the benefit of all Canadians? Is it true, and I believe it is, that there are Canadians who earn substantial sums of money each year but who pay no taxes? Is that fair? Is it equally true that there are profitable corporations that pay no taxes or virtually no taxes?

If there is some truth to all the questions I have raised, and I have not even raised the whole question of the black market economy which apparently if everyone were paying taxes according to the rules would probably eliminate the deficit, is it any wonder that Canadians are saying just a minute, why is it that the government cannot get money from those sources that are not paying their fair share?

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(1345)

I invite all of my colleagues, and I say this in a very serious way, to share their ideas openly in this debate. I recognize that there are divergent views. That is what democracy is all about. I believe that is what a strong democracy is all about.

We should all try to come at least to some basic agreement on what we are trying to do. It seems to me that while we may vary in our approaches to how this might be done, what we collectively want to do is identify the Canadians in need and define conditions under which they can be helped.

If we can do that I believe that putting forward the mechanisms, the programs to respond to that will be much easier.

Whether we are from the Bloc Québécois, with a particular orientation, or other parties in which we believe in a Canada as a whole with some improvements to what we have, which is probably the finest country in the world, I have always wondered why one would ever want to change something that is the finest. Perhaps some day after having listened a bit more I shall come to some sort of understanding.

I would like everyone to make a commitment to look at social programs, look at taxation, look at the fundamental issues facing this whole country in such a way as to build a better country for all Canadians.

[*Translation*]

Mr. Jean H. Leroux (Shefford): Mr. Speaker, I listened very closely to my hon. colleague's speech. I think there is some truth to what he said.

Now, I would like to point out to him some of the differences that may exist between Canadians from other parts of Canada and Quebecers. French-speaking Canadians have always depended a great deal on the federal government in Ottawa to safeguard their rights. We in Quebec, on the other hand, have always felt that where overlap or duplication occur, it would be preferable to assign these rights to the Government of Quebec.

When the Fathers of Confederation gathered in 1865, 1866 and 1867, English-speaking people supported the idea of a single government. Quebec is responsible for the fact that we have two levels of government in this country, because its representatives insisted that this course of action be taken.

Therefore, I think it is very important to note that while Bloc Québécois members speak on behalf of Quebecers, they are also concerned about problems affecting other regions of Canada as well. I hope the hon. member understands this.

I also want to congratulate him on his speech. As this session progresses, it would appear to us that the Liberals have split into two factions, one which I would qualify as Liberal-Reform and the other, as Liberal with social-democratic leanings.

This debate will likely give members a chance to analyze opposite views and ultimately to take a coherent stand.

As for us, what matters most, as I have stated repeatedly in this House, are the rights of the least fortunate in our society. I listened to the speeches of the Reform Party members and I think we all agree that the reform process now being initiated must not affect the most disadvantaged members of society. Would the hon. member care to respond to what I have just said?

Mr. Duhamel: Mr. Speaker, I want to thank my colleague. He has raised a number of excellent questions.

First, I agree with him completely when he says that we have to help the less fortunate any way we can. As for francophones outside Quebec who presumably have benefited from their association with the federal government, I would simply like to remind my hon. friend that all of us have at some time or another, for different reasons, benefited from the federal government, not just francophones outside Quebec. Perhaps I misunderstood, but listening to him, I got the feeling that because there are not many of us and because we are scattered across the country, we need the federal government. Look, we have been fighting for a long time for our language and culture, and we are doing a good job of it, even if there are only a handful of us. Yes, it is true that we need the government from time to time, but I assure you we can stand on our own two feet.

(1350)

As for the existence, supposedly, of two factions within the party, let me say that we are a united party. We may have our differences. I have three daughters and I can assure you that, while I raised them all the same way, there are differences nevertheless. In spite of this, we are a family and we love one another a great deal. I love them a lot and I hope the reverse is also true.

Therefore, please do not compare the Liberals with the Reform Party, because such a comparison could make me seriously ill. We want to improve upon existing measures. A Liberal looks at an existing measure and thinks about possible improvements. That is what we want to do.

Lastly, my hon. colleague speaks of Quebec and yes, occasionally, even of Canada. Even my young colleague who made an excellent speech earlier mentioned all of Canada, as did others. But you must do so more often. You are the official opposition and must speak for all of Canada. When you see a problem outside Quebec, you should speak about it because you sit in opposition, I hope, on behalf of all Canadians.

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[English]

Mr. John English (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs): Mr. Speaker, I had not expected to participate in this debate today, but I welcome this opportunity to speak in this debate on human resources development.

What we have heard today are many excellent presentations such as the presentation by the hon. member for Hamilton—Wentworth which reminded us that there are many organizations in Canada that are made up of relatively wealthy individuals who receive grants and awards. Perhaps those organizations, just as members of Parliament, just as many other Canadians who have more, should think about giving up their privileges, opportunities and grants to help those who have less. It is certainly something worth considering.

I want to say in response to a comment made by the member of the Bloc Québécois earlier that there are reform Liberals and there are social democratic Liberals, that in fact all Liberals in this party today, I am certain, are committed to Canada's social welfare program. Moreover all of them like myself regard the development of Canada's social welfare program as one of the greatest accomplishments of Canadian liberalism and the Canadian Liberal Party.

There have been several interesting observations and very fine speeches by members of the Reform Party. One speaker alluded earlier to the example of Great Britain and compared it to the kinds of things that are happening in Canada today and to what has been called by others the British disease. We have heard that kind of term, not simply from Mrs. Thatcher, but from others. I think it is one of those terrible simplifications that obscures a broader truth.

If we look at western Europe since 1945 what we find is that many of the countries that have had the highest growth rates have been countries where government participation in the economy is higher than it was in Great Britain. In fact if we look at government participation in the economy since 1945 the western economies, many of them built up from the ruins of the wartime period, are those which have spent more on social welfare and have done better in terms of economic growth.

It may be a surprise to learn it, but between 1950 and 1990 the country that had the fastest rate of economic growth in Europe of the major nations was Italy, a country that had a high degree of spending on social welfare. Germany is another example.

Second, in looking at British society, those who have looked most closely and most recently, including Mrs. Thatcher's supporters, have said that the difficulty with Great Britain is not so much the fact that Great Britain spent more on social welfare, not so much that it tried to develop strong programs to help the

poorest in society, but rather because Britain failed so badly in training and education.

(1355)

Maurice Cowling, one of Mrs. Thatcher's academic supporters, has written a book about British society. What he points out is that Britain has failed very badly in the area of training and education while other countries in continental Europe have done so much better. I think that bears a lesson for us.

In Canada we too have spent a lot of money on education and training. The hon. member for Port Moody—Coquitlam, who spoke earlier today, talked about this question in her address. She talked about the need for improvement in training and suggested that training could be done best by the private sector.

I am pleased to report that the hon. member for Port Moody—Coquitlam is a graduate of the University of Waterloo.

An hon. member: Shame.

Mr. English: The hon. member for Peterborough is a professor at Trent University.

The University of Waterloo has pioneered co-op education in Canada and has done so so successfully that it far out-ranks Trent University in the rankings every year in *Maclean's*. The member for Port Moody—Coquitlam went through this co-op program, one which I know very well because I taught there for 20 years myself. In that co-op program she benefited enormously from the support of the government. That co-op program, which is being copied by many universities throughout Canada, is an excellent example of what business, government and educators can do together.

The initial idea for the program came from the business community in the area as did the idea for the university. The business people came to educators and said: "Let us work together to make sure that the transition from the educational place to the work place is made easier, that students have work experience and they can carry that experience further".

The result has been a much higher degree of success in getting jobs on the part of graduates. There has been a lot of satisfaction, as the hon. member herself said. The program has worked very effectively. It is a program that worked not because of private initiative, but because a government worked with business and educators to create a coherent system of training and education.

In the Waterloo area, the example of the University of Waterloo has been followed by Sir Wilfrid Laurier University and also by our secondary school boards, particularly the Waterloo Catholic Board of Education. I have worked with that board myself in working out training programs for students to enable them to move from the high schools and universities into the work place. Students who are within those programs and who

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have a more direct experience in the work place find the transition to higher education and to work much easier.

The difficulty we find is that so many training programs are just not working in the way we had hoped. That is why we are calling for a restructuring. This is most relevant of course to any discussion on human resources development.

In a recent study done by the Canadian Guidance and Counselling Foundation, 73.9 per cent of the community employment agencies, 72.4 per cent of Canada employment centres and 45.2 per cent of counselling services in colleges and CEGEPs report that they turn clients away because they do not meet funding criteria. This is simply not good enough. The costs are high.

The human costs of not watching what happens with training at the lowest level, at the intermediate level and at the post-secondary level are very high for our society.

As an educator, I personally feel—and the hon. member for St. Boniface has written some excellent pieces on this subject—that we need to restructure our training programs in the broadest possible way. I would echo the thoughts of the member for St. Boniface in suggesting that we all share these problems together. Training and education in this country is very costly. When we compare the international rate of spending on education we find that Canada, a very wealthy nation, spends a percentage of GNP that is higher than almost any other nation. If we are not the highest we are certainly close to it. All of us are aware that we could spend this much better.

Our responsibility as members of this House, of all parties, is to work together to improve this very crucial sector of Canadian society. In doing so we will start to recreate that sense of initiative among younger people and that sense of purpose that is so lacking now.

(1400)

I think we can work together and we would achieve so much for this great country if we would do so.

The Speaker: It being two o'clock p.m. pursuant to Standing Order 30(5), the House will now proceed to statements by members pursuant to Standing Order 31.

The Chair is well aware that five minutes remain for questions and comments.

[Translation]

We will continue after oral questions.

STATEMENTS PURSUANT TO S. O. 31

[Translation]

IRVING WHALE

Mr. Patrick Gagnon (Bonaventure—Îles-de-la-Madeleine): Mr. Speaker, I would like to issue a progress report on a matter of vital importance for my riding as well as for Quebec and Eastern Canada. I am talking about the *Irving Whale*, the tanker which has been lying on the bottom of the Gulf of St. Lawrence for over 20 years.

Having said that, I wish to inform the residents of the Magdalen Islands that a final decision is forthcoming. The diligence of the Minister of the Environment and the Minister of Transport as well as the efforts of my colleague from Malpègue have made it possible to accomplish this much in such a short period of time.

I want to reassure the people of the Magdalen Islands: the *Irving Whale's* tanks were inspected and there are no leaks.

I wish to state here today that we are the ones who will see to it that the matter of the *Irving Whale* is settled, not the present leader of the opposition who never even looked into the matter when he was himself Minister of the Environment.

* * *

WINTER SPORTS

Mr. Laurent Lavigne (Beauharnois—Salaberry): Mr. Speaker, I am happy to join the population of Beauharnois—Salaberry in wishing good luck to free-style skier Jean-Luc Brassard who will be taking part in the Winter Olympic Games, in Lillehammer.

After winning the World Cup for the 1992–93 season, a feat I just had to mention, world champion Jean-Luc Brassard won an event, last week end, which could help him to repeat and win another World Cup this season. In no time, his hard work and dedication to a fantastic winter sport has earned him the admiration and respect of all who know him. My constituents can be proud to have amongst them such a talented young man, whose many achievements make all Canadians very proud.

I want to wish good luck to Jean-Luc in his event, to be held on February 14. The people of Beauharnois—Salaberry will be cheering for him.

* * *

[English]

LONGSHOREMEN'S STRIKE

Mr. Jack Ramsay (Crowfoot): Mr. Speaker, the government must recognize the importance of the prairie farmers and how

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vulnerable they are to actions beyond their control. These people strive to earn an honest living and they do so using sweat and tears. Why do they constantly have to meet one challenge only to be confronted by another?

The farmers in my riding of Crowfoot, Alberta are a sturdy bunch who let nothing get them down. They truly represent the real spirit of the west: When you are down, get up, brush off the dust and get on with life. But when you are being held hostage, how do you get on with life?

The west coast strike will have disastrous effects on the economy if we do not get millions of tonnes of grain, potash and forest products moving and with that our reputation as a reliable supplier will be tarnished.

Hopefully the farmers will survive. Thank goodness they usually do. Meanwhile the reputation of the government is taking a beating in the agricultural community over this issue.

* * *

THE LATE JOSHUA KAKEGAMIC

Mr. Stan Dromisky (Thunder Bay—Atikokan): Mr. Speaker, this is a tribute to Joshua Kakegamic of Keewaywin in northwestern Ontario who died in a snowmobile accident while trying to save his friend, John Kalaserk, an Inuit preacher.

Josh Kakegamic was a talented woodland native artist whose works are found in the permanent collections of major Canadian art galleries and in private collections in many countries.

As a business associate and friend, I encouraged him to draw upon his own rich, but not always happy, life experiences which collectively would reveal the very essence of his native culture. His paintings reveal his vision of a powerful life force within all of God's creations and the joy he saw in that sacred relationship of perfect harmony.

In his short life he touched many lives and enriched the world through his art, his friendship and his faith which can be best described in the words of John 15:13: "Greater love hath no man than this, that a man lay down his life for his friends".

Josh Kakegamic: husband, father, community leader, friend, creator, hero. He was 41 years old.

* * *

(1405)

TOBACCO SMUGGLING

Mr. Peter Adams (Peterborough): Mr. Speaker, as a recent chair of the cancer campaign in Peterborough and honorary chair of the Terry Fox campaign, I am very concerned about anything that increases tobacco use among young people.

That is why I am concerned about tobacco smuggling. This puts cheap glamorized tobacco into the hands of children who are often below the legal age for smoking.

I am also concerned about efforts to lower taxes on tobacco as a means of combating smuggling. While the merits, fairness and effectiveness of tobacco taxes can be debated, I have no doubt that high price has been a particularly effective deterrent against smoking for the young.

I hope the government continues to protect young people from the proven dangers of smoking. Let us turn all the resources of government and public opinion against smugglers who are killing our children.

* * *

[Translation]

CANADIAN BROADCASTING CORPORATION

Ms. Albina Guarnieri (Parliamentary Secretary to Minister of Canadian Heritage): Mr. Speaker, we have just learned that Mr. Anthony Manera was appointed as the new president of CBC. This is good news indeed for the CBC and for all Canadians.

Given the current situation, we need someone with experience in charge of this top-notch national institution. And this is certainly the case with this appointee. He knows the CBC's nuts and bolts and is ready to act. Under him, the CBC will be able to regain control and reassert loud and clear its role as a public broadcaster.

We want to wish the best of luck to the new president, Mr. Manera, and to the CBC.

* * *

COMMUTER TRAINS

Mr. Benoît Sauvageau (Terrebonne): Mr. Speaker, first of all, I must thank the people of my riding for their support and their confidence in the last federal election.

The purpose of my statement is to inform you and all hon. members that the beautiful riding of Terrebonne, just northeast of Montreal, does not have a commuter train service, unlike municipalities situated at the other end of the island. For many years, this has been a hot issue in my region, marked by much hesitation and delay.

So, I would like to bring it to the government's attention and also to say that in the famous omnibus infrastructure program special consideration should be given to areas like Laval-Lauréntides-Lanaudière and their economic development.

A commuter train, while making Montreal more easily and more directly accessible, would also give a fresh impetus to our regional economy which, although very dynamic, needs it badly.

S. O. 31

[English]

(1410)

RAILWAYS

Mrs. Daphne Jennings (Mission—Coquitlam): Mr. Speaker, I rise in the House today to speak in support of one of our great traditional enterprises, our national railway system.

When we are considering the role of rail in any infrastructure decisions, a real possibility in my riding of Mission—Coquitlam, we must be aware of these facts:

A core rail network compliments the highway system as rail serves as the prime mover of bulk resources and exports, provides a commercial alternative to trucking, enables marine and road intermodal links, provides infrastructure that can continue to be user pay, reduces current and future liabilities for public spending on transport infrastructure, and creates an opportunity for partnership with governments to use available rail corridors for intercity passengers and commuter rail transit.

For the environment rail means less congestion, less air pollution, fewer accidents, less cost of injury, less noise and more effective land use.

* * *

[Translation]

CARDIOVASCULAR DISEASES

Mr. Bernard Patry (Pierrefonds—Dollard): Mr. Speaker, I would like to take this opportunity to remind you that February is Heart and Stroke Month in Canada.

Cardiovascular diseases are the leading cause of death, disability and illness in our country. They claim 75,000 lives each year.

These diseases cost our economy about \$17 billion a year in medical care, hospital costs as well as salary and productivity losses.

[English]

The staggering total of this disease requires the development of more effective prevention and intervention strategies. A balanced approach is necessary where preventive practices are incorporated early in life and communities are healthier places to live.

[Translation]

I am sure that many of us have been personally affected by cardiovascular diseases and that is why I support and thank the organizations that work towards preventing and controlling these diseases.

[English]

EATING DISORDERS AWARENESS WEEK

Ms. Hedy Fry (Vancouver Centre): Mr. Speaker, I take this opportunity to remind members of the House and all Canadians that February 1 to 7 marks Eating Disorders Awareness Week. The theme is: Breaking free—Celebrating our sizes.

The National Eating Disorder Centre and support groups across Canada will address a key concern about weight obsession and negative body image particularly among women. The goal this year is to increase awareness of the psycho-social factors which contribute to the development of anorexia, bulimia, or weight preoccupation and those that prevent eating disorders from occurring.

During the week, information through public forums and exhibits will be provided to Canadians to dispel myths and direct them to appropriate resources.

I am delighted that the messages of this week are consistent with the actions of Health Canada to promote a sense of well-being as well as healthy weights. Healthy bodies come in a variety of shapes and sizes and a good weight is a healthy weight, not just a low weight.

I would like to congratulate the National Eating Disorder Centre for its work on raising awareness of this important health matter.

* * *

SAINT JOHN MAYOR-ELECT HIGGINS

Mr. Paul Zed (Fundy—Royal): Mr. Speaker and members of the House, I would like to take this opportunity to offer our congratulations to the newly elected mayor of the city of Saint John, Mr. Tom Higgins.

Mayor-elect Higgins brings to this position experience both as a former city councillor and as a deputy mayor. Mr. Higgins is a prominent educator and a dedicated community activist. We all look forward to working very hard with our new mayor who replaces our old friend who has hung up her skates to go to the back benches of the mighty Conservative caucus.

On behalf of the government members from New Brunswick I offer our sincere congratulations. We look forward to working hard for Saint John with this very prominent New Brunswicker, Mr. Higgins.

I also offer congratulations to Mr. Higgins on behalf of the residents of Fundy—Royal.

S. O. 31

[Translation]

WINTER OLYMPIC GAMES

Mr. Ghislain Lebel (Chambly): Mr. Speaker, three residents of Otterburn Park in the federal riding of Chambly will represent Canada at the snow sculpture competition in the arts and culture section of the Winter Olympic Games in Lillehammer, Norway, between February 7 and 10.

These three Quebecers, Swavek, Peter and Mike Gorecki, have already represented Canada in several international competitions and many times won the public and the jury prizes for their truly imposing works, often on historic themes.

But the Gorecki brothers are paying their own expenses to go to take part in competitions on behalf of Canada, to promote the art and culture of our country.

On behalf of the federal riding of Chambly and of Canada as a whole, I want to wish the best of luck to the Gorecki brothers who are leaving Quebec tomorrow, Friday, February 4, for Lillehammer. I am confident that once again they will come back from this competition with a trophy.

I also wish to express regret for the lack of support from Canada.

* * *

[English]

CANADIAN FORCES BASES

Mr. Allan Kerpan (Moose Jaw—Lake Centre): Mr. Speaker, I would like to put forward a recommendation that will contribute to a more open and improved process of reviewing and determining the future of Canadian forces bases in Canada.

My proposal calls for the establishment of an ad hoc caucus of MPs representing ridings in which CFBs are located for the purpose of determining the future of these bases, whether they be downsized, restructured or closed.

This caucus could be chaired by the minister and report its findings to the government. This caucus could provide the minister with the information and views from each base and its community that he might not otherwise have the benefit of receiving and would be shared and debated openly, resulting in the best analysis and decisions possible.

It is important for the minister and his government to have MPs, regardless of the future of their bases, as allies rather than adversaries.

In short I believe that involving MPs in this decision-making process will result in the best possible outcome for Canadian forces bases in Canada.

* * *

CIGARETTE TAXES

Mr. John Bryden (Hamilton—Wentworth): Mr. Speaker, I have come across unusual evidence that ordinary Canadians no longer support high taxation as a means of limiting the consumption of cigarettes. I refer to the annual report of the Non-Smokers' Rights Association which indicates an 80 per cent decline in membership between 1992 and 1993.

Public support has so faltered for this anti-smoking lobby and its affiliate, the Smoking and Health Action Foundation, that four-fifths of their annual income of some \$717,000 comes from direct provincial and federal grants.

(1415)

This group in urging that high taxes be retained on cigarettes despite the deluge of contraband across our borders is not speaking to the media for a significant number of members nor for the majority of Canadians.

* * *

IMMIGRATION

Ms. Jean Augustine (Etobicoke—Lakeshore): Mr. Speaker, I would like to congratulate the Minister of Citizenship and Immigration on his announcement yesterday in the House of the 1994 immigration levels. His announcement is in keeping with the pledge in the red book to maintain an immigration level of approximately 1 per cent of Canada's population.

Immigrants bring a great many riches to our country. They bring new skills and talents, expertise and experience. They enrich our cultural diversity.

As an immigrant to Canada I had the opportunity to pursue a career as an educator and to use my knowledge to the betterment of our community.

By honouring our pledge in the red book the minister affirms that immigrants have a lot to offer. I firmly believe that we need their skills and talents to meet the economic challenges we face as a country in an increasingly global society.

I wish the minister well as he embarks on a broad consultation process on immigration policy. I offer my full support to him to ensure the success of this initiative.

Oral Questions

ORAL QUESTION PERIOD

[Translation]

CIGARETTE SMUGGLING

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, my question is for the Prime Minister.

According to the daily newspaper *Le Devoir*, whose source was a senior member of the RCMP, cigarette smuggling is only the tip of the iceberg. Cigarette smuggling networks have now expanded into jewelry, clothing and alcohol. In the Montreal area alone, over two thirds of cigarette smugglers are also dealing in alcohol.

Is the government aware that its carelessness, laxity and negligence in the fight against cigarette smuggling are causing a growing underground economy to spread dangerously?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, I said and I would like to repeat in this House that we are fully aware of this situation. I contacted the provinces because the federal government is not the only government involved in this whole problem of the underground economy. We need an overall plan and everyone's co-operation to deal with it.

I told the House yesterday that I had to engage in further discussions with some of the premiers. I am planning to speak to them early next week. And we have given very clear instructions to the police to take all necessary measures to ensure that all Canadians in all regions of the country obey the law.

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, every question we ask now is answered with a litany of calls, talks and intentions but never with action. We are starting to wonder whether there is a government in the House.

An hon. member: There is none.

Mr. Bouchard: I want to ask the Prime Minister whether he can confirm that the government's action plan against cigarette smuggling includes a federal tax reduction of \$6 a carton, as the CBC reported last night?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, in due time a statement on the whole problem will be made in this House.

[English]

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, if the Government of Ontario persists in its refusal to reduce its own taxes, does the federal government intend to go ahead with its own reduction of federal taxes, given the fact that the Prime Minister said that some time ago?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, some days ago the hon. Leader of the Opposition told me that we should proceed because he was convinced the Ontario minister of finance had said in Montreal that he was to proceed. I was not that sure.

Today we apparently have a different version. Yes, the hon. member said himself in this House that after the meeting of the ministers of finance in Montreal the Ontario minister of finance had committed Ontario to cut taxes. That evidently was not the case, if I believe what the hon. Leader of the Opposition is saying today.

(1420)

[Translation]

Mr. Michel Gauthier (Roberval): Mr. Speaker, last Tuesday, the Solicitor General boasted that, in the last three months, the RCMP had seized some 80,000 cartons of contraband cigarettes.

Had the minister done a simple calculation with the figures quoted by the hon. member for Glengarry—Prescott—Russell, he would have realized that in the last three months, while the RCMP seized a truckload and a half of contraband cigarettes, some 360 truckloads were smuggled into Canada. What a sieve!

Can the Solicitor General tell us, given the lack of results achieved by the RCMP, what additional resources he intends to give them to make them more effective?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, I would like to add to the information I gave the House a few days ago. In 1993, the RCMP made over 4,600 seizures and laid more than 1,250 charges in Quebec alone. This is quite a respectable record.

Mr. Michel Gauthier (Roberval): Mr. Speaker, just yesterday the Prime Minister was asking for more information before taking action, while the RCMP is now telling us that it is very well informed, that cigarette smuggling networks are branching out into luxury items such as clothing, jewelry and alcohol. How can the Prime Minister explain that the RCMP is not acting, except for political reasons?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, it is well known that the RCMP is very independent and does its job as the law requires. Any accusation to the effect that it has political orders not to act is totally false. We have clearly instructed the RCMP to take all necessary measures to stop this smuggling.

* * *

[English]

IMMIGRATION

Mr. Preston Manning (Calgary Southwest): Mr. Speaker, my question is for the Minister of Citizenship and Immigration.

Oral Questions

None of us in the House question the value and importance of immigration, but legitimate questions exist concerning the appropriate levels of immigration. As the minister knows, 2.3 million Canadians are either unemployed or underemployed, the welfare rolls are bulging and governments cannot finance the current level of social services.

Under these circumstances is the minister absolutely convinced in his own mind that maintaining immigration levels at the current level of 250,000 per year is in the national interest?

Hon. Sergio Marchi (Minister of Citizenship and Immigration): Mr. Speaker, we consulted Canadians in the last election. One of the commitments we made in the red book was a commitment to move our immigration policy toward a 1 per cent level. That commitment was not undertaken lightly. That commitment had the foresight of some study and analysis.

The Economic Council of Canada, for instance in its 1993 report, suggested moving toward 1 per cent and doing so gradually. It also said that the net economic impact of every immigrant is approximately \$2,000. If we multiply that by the levels we are looking at, it is half a million dollars only in the calculation of net economic benefits to immigrants without talking about job creation and entrepreneurship.

We feel it is a balanced approach. We talked about reuniting families. We talked about bringing in skills that people in the country need and the skills that our economies require, as well as maintaining our international obligations toward those who legitimately seek our refuge as they do across the country.

Yes, we believe it is a balanced approach and on balance will help the country grow as former immigration movements have done.

Mr. Preston Manning (Calgary Southwest): Mr. Speaker, I thank the minister for his answer. In light of his answer can the minister prove, by laying before the House a detailed cost benefit analysis or other evidence, that maintaining immigration at the level of 250,000 immigrants per year is a net economic benefit to Canada?

(1425)

Hon. Sergio Marchi (Minister of Citizenship and Immigration): Mr. Speaker, we tabled the immigration plan at three o'clock yesterday. At one o'clock we briefed my respective critics. At 12.28 yesterday on CP wire, without an iota of a figure being deposited, his hon. critic for immigration said the following:

Immigrants are choking welfare systems, contributing to high unemployment, and many cannot read.

Before the hon. leader gets up and preaches and requests analyses from this side of the House, I ask him to check with his members so as not to suggest things that are not borne out in fact but are more borne out in fiction and mythology.

Some hon. members: More, more.

The Speaker: In the heat of exchange I know my colleagues sometimes forget the Speaker. I know it is an oversight because here I am. However I wish you would direct your responses and your questions through me, please.

Mr. Preston Manning (Calgary Southwest): Mr. Speaker, I have a supplementary question for the minister.

If the minister were to be presented with studies that maintaining immigration levels at the 250,000 level under current circumstances does not produce a net economic benefit to Canada, would the minister consider lowering the level?

Hon. Sergio Marchi (Minister of Citizenship and Immigration): Mr. Speaker, a number of studies have been produced in terms of the relationship between net immigration and net economic benefit. In fact, if I were to say something, there probably would not be enough studies in the current time to correlate those two forces a little more precisely.

I know the Reform Party has often used and basically exclusively used the C. D. Howe report done by Daniel Stoffman as a compass for suggesting that it should be reduced to 150,000. Even in the C. D. Howe Institute report Mr. Stoffman concludes that, at the very worst, net immigration is neutral on the economic benefits that immigrants bring.

Compared to that we have the Economic Council of Canada that shows a \$2,000 net benefit. We have the report by Dr. Rosalyn Kunin in 1991 who studied the economic impact of business. Between 1986 and 1990 she concluded that 80,000 new direct jobs were created, a contribution during that time of \$3 billion to GDP.

I will conclude by saying that during that time 10 per cent of all business activity—and I would be more than happy to table this—across the country was created by business immigrants. There are studies that prove immigrants are not a weight on the country. We should be forging ahead with the knowledge that the immigration policy adds dynamism to the country.

* * *

[Translation]

SMOKING

Mrs. Pauline Picard (Drummond): Part of the plan which the media attribute to the government concerns health and an awareness campaign directed at young people to discourage them from smoking.

Oral Questions

My question is for the Minister of Health. Can she tell us what measures she is proposing to the government to make people, especially young people, aware of the danger of smoking?

(1430)

Hon. Diane Marleau (Minister of Health): Mr. Speaker, of course I am working on various measures to deal with the problem of tobacco use throughout Canada. I will tell her about them as soon as we can, probably here in this House.

Mrs. Pauline Picard (Drummond): Mr. Speaker, does the Minister of Health agree with the position of the Ontario government, which systematically refuses to lower cigarette taxes?

[English]

Hon. Diane Marleau (Minister of Health): Mr. Speaker, the health of Canadians across the country is a great concern to me, but the health of Canadians living in the province of Quebec is an even greater concern to me at this point because it has the highest number of smokers.

We really must make sure that everything we do helps to reduce the number of smokers across Canada, and especially in Quebec, because the costs will be very high some time in the future.

* * *

IMMIGRATION

Mrs. Sharon Hayes (Port Moody—Coquitlam): Mr. Speaker, my question is for the minister of immigration.

The Government of Quebec has agreed to accept 40,000 immigrants this year, or about one-sixth of the total the minister has announced he will admit to Canada. Quebec has one-quarter of Canada's population. If we extrapolate the number of immigrants Quebec believes it can absorb, the national figure would be 160,000 immigrants.

Could the minister explain why the number of immigrants Quebec believes it can absorb differs to such a large degree from the number the minister thinks our country can absorb?

Hon. Sergio Marchi (Minister of Citizenship and Immigration): Mr. Speaker, as the hon. member knows, there is a Quebec-Canada immigration accord. Quebec has a selection with respect to independent and business immigration. Obviously it also assumes a family class and refugee class under the federal guideline.

The hon. member's party is suggesting that the figure be 150,000. I know what you are against but I also want to know what you are in favour of. If you want to cut 100,000 immigrants, as your party is advocating, I would like to know where you are going to cut. Are you going to cut from the family class since your party preaches—

The Speaker: Order. I am sure the minister will want to direct his response to the Chair. It makes it much easier. Would the hon. minister like to conclude.

Mr. Marchi: Yes, Mr. Speaker. Through the Chair, I would like to know—

Some hon. members: Oh, oh.

The Speaker: Order. As I understand it this is a question and answer period and we should try to set it up that way. I am sure although there are many questions unasked we want to hear both.

Mrs. Sharon Hayes (Port Moody—Coquitlam): Mr. Speaker, has the minister consulted the other provinces in determining the new immigration level, especially in light of Quebec's decision to accept fewer immigrants?

Hon. Sergio Marchi (Minister of Citizenship and Immigration): Mr. Speaker, as the hon. member knows, in preparation for the 1994 levels that we tabled yesterday all provinces were consulted. Those consultations took place in 1993.

Not only were they consulted, but the member's own province as late as last week faxed us a list of designated classes that the business and economic communities of British Columbia would like us to bring in as independents. We have done that. Forty-four per cent of all immigrants in 1994 will be those selected based on the skills that our economy needs.

British Columbia, Alberta, Saskatchewan and Manitoba have all requested certain trades and skills. We are trying to co-operate with the provinces so that we as one slice of immigration can have immigrants come to the country to fill economic niches that the federal government has designated in full co-operation with each and every single province.

* * *

(1435)

[Translation]

FOREIGN AFFAIRS

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Mr. Speaker, my question is for the Minister of Foreign Affairs. A little while ago in this House, we had a special debate on cruise missiles on Canadian territory. The American government was to receive an answer by the end of January.

Can the minister tell us if the government has made a decision? What is he waiting for to let us know his position?

[English]

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, the hon. member is correct that we had a very fruitful debate last week. That discharged a commitment made by our party in opposition

not to authorize any cruise missile tests in 1994 before the House had a chance to debate the issue fully.

Members will know that in August 1993 the previous government authorized the 1994 test and the planning was well under way when we took office. Given this and given the fact that we will be having foreign policy and defence reviews in the next year where all matters including testing of weapons systems can be debated, the government has decided to proceed with the two tests in 1994 beginning this month.

I should also tell members that we have communicated this in the last hour to the United States government. We have stressed the fact that it should make no presumption about the outcome of the defence and policy reviews Parliament will be seized of later this year, given the very strong feelings on the matter of cruise testing both within the country and certainly within our party.

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Mr. Speaker, we must be glad that the government has finally made a first decision after many days of consulting on various subjects. We are waiting for one on cigarettes, if that appeals to you. You are welcome.

Could the Minister of Foreign Affairs give us the details of this agreement and table it in the House?

[English]

Hon. David Michael Collette (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, I believe the hon. member was in the House a year ago. He should know that the agreement was signed by the previous Conservative government. It was renewed in 1993 and it does provide for individual tests to be conducted bilaterally. The actual tests can be agreed on or cancelled at any time within the framework of that agreement.

All we are doing today is verbally acceding to the request of the United States to have two more tests in 1994 in the same way as we have had tests in the past nine years.

* * *

IMMIGRATION

Mr. Art Hanger (Calgary Northeast): Mr. Speaker, my question is for the minister of immigration. The minister's department is struggling with a backlog of more than 14,000 refugee claims from persons already in Canada. Social services are also struggling with the flow of refugees, something the minister acknowledged when he announced that refugee claimants would be allowed to find work.

Why is the government increasing the number of refugees Canada will admit when we are already unable to deal compassionately with the current numbers?

Oral Questions

Hon. Sergio Marchi (Minister of Citizenship and Immigration): Mr. Speaker, as part of our immigration levels the government is committed to international obligations. The member rises from his seat today, as he did yesterday, and simply casts out of hand that we should not have had as many refugees in the country or we should not honour obligations with respect to allowing those individuals to have fair and speedy hearings.

What we did yesterday not only maintained our obligations under the United Nations High Commission on Refugees. We have encouraged private communities to sponsor refugees, not only because we believe there are more cost benefits in that they absorb settlement costs but also because when communities come forward prepared to accept refugees it is a celebration of what the program is all about.

The hon. member also spoke about welfare rolls. We should talk about facts as opposed to creating the perception and the myth that every refugee who comes to the country goes on welfare.

According to the Ontario government some 4 per cent of the 615,000 applications for social welfare assistance in Ontario alone in 1993 were refugee claimants. Within that figure there is some abuse this side is interested in, but I would urge the member to set the context of his deliberations.

Mr. Art Hanger (Calgary Northeast): Mr. Speaker, I have a supplementary question for the minister on a related issue. The Ontario government has already asked for an additional \$110 million for immigrant programs. In response, the minister said: "You have to be a realist. There are limited dollars available in the pool". Why does the minister not reduce the number of immigrants until the government is able to properly support these newcomers to Canada?

(1440)

Hon. Sergio Marchi (Minister of Citizenship and Immigration): Mr. Speaker, I had a meeting with my provincial counterparts in Ontario. For the first time the Ontario government has signalled an interest in entering into a federal-provincial agreement on immigration. Only three provinces do not have current agreements.

The government has signalled its intention to accept the request of the Ontario government and the Ontario government has made a request for federal assistance for resettlement.

Unlike the former government, this government is prepared to listen to Ontario's concerns. We will work with our provincial partners as well as those at the municipal level on behalf of all Canadians which is something the people want.

I simply said something that the hon. member and his party have been saying every day. We have a fixed amount of dollars available in the federal treasury. In fact, the member has made a campaign of talking about deficit reduction. I thought I was

Oral Questions

being responsible in not only addressing it purely from an immigration viewpoint but also a fiscal one.

* * *

[Translation]

CANADIAN BROADCASTING CORPORATION

Mrs. Suzanne Tremblay (Rimouski—Témiscouata): Mr. Speaker, my question is for the Minister of Canadian Heritage.

Yesterday, the minister admitted that the government would put parliamentarians before a fait accompli regarding the appointment of the new CBC President, thus refusing to subject this appointment to the approval of the House, and that is now a done thing.

Since the government decided to impose its own choice, will the minister undertake to give members of the parliamentary committee on Canadian Heritage the list of candidates who submitted their resume to Mrs. Collenette, the wife of the Minister of National Defence?

Hon. Michel Dupuy (Minister of Canadian Heritage): Mr. Speaker, obviously, the hon. member and I disagree on how appointments should be made. But I want to point out that the appointment of a person is a rather confidential process. Many candidates are eligible; many have a chance of being selected for the job but, in the end, there can only be one appointment. In my opinion, it would not be reasonable to publicly reveal the names, and there are quite a few, of those who were not selected for the position. Therefore, it is not my intention to make public the list of those who could have got the position which was filled today.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata): Mr. Speaker, to ensure greater transparency, the minister might consider tabling this list to the committee, in camera.

I have a supplementary question. Since the minister refused to consult the committee, will he at least tell this House what were the true criteria used for the appointment of the new President?

Hon. Michel Dupuy (Minister of Canadian Heritage): Mr. Speaker, there is no such thing as true or false criteria. There are only criteria, and the main ones were suggested by the CBC itself, because these people know what they are doing and they know how important such an appointment is.

We are quite willing to listen and, in fact, we did listen not only to their advice but also to the advice provided by those who take an interest in this issue. I already said that we had come up with a long list, following an announcement in the *Canada Gazette*, and I am pleased to repeat again that the president,

whom I want to congratulate, will gladly meet the parliamentary committees interested in hearing him.

* * *

[English]

FISHERIES

Mrs. Bonnie Hickey (St. John's East): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

The European countries import millions of dollars of Canadian fish and fish products every year. For the past two years the government has been asking to have Canadian fish products exempt from EC mandatory border inspections.

(1445)

Has the government made any progress in its efforts to eliminate this restriction on access of Canadian fish products to this important market?

Hon. Brian Tobin (Minister of Fisheries and Oceans): Mr. Speaker, I would like to thank the hon. member for her question and congratulate her on her first question in the House of Commons.

I am pleased to reply to the hon. member that due to the efforts of the Minister of Trade, the Minister of Foreign Affairs and officials of my department I can announce today that the European Community, after examining Canada's fish inspection program, has agreed to exempt all Canadian fish products from EC mandatory inspections.

This means that more than half a billion dollars worth of Canadian fish products will now have completely unfettered access to the European Community marketplace.

Some hon. members: Hear, hear.

Mr. Tobin: Mr. Speaker, in response to this unexpected question, I conclude by saying this is an early example of the speedy manner in which this government is ensuring that more jobs are created.

Some hon. members: Hear, hear.

* * *

HEALTH

Mr. Ian McClelland (Edmonton Southwest): Mr. Speaker, my question is for the Minister of Health. I ask this question on behalf of millions of Canadians including Mr. Norman Henderson of Ottawa.

Given the horrendous cost to the health of Canadians, to our over-burdened health care system caused by tobacco addiction, and more deaths earlier than the combined total of traffic accidents, drug abuse, murder, suicide and AIDS, will the minister assure the House and the people of Canada that the

government will do everything in its power to discourage smoking, particularly among the youth of Canada including the maintenance of high prices. There is a proven relationship between cigarette price and cigarette consumption.

Hon. Diane Marleau (Minister of Health): Mr. Speaker, I have had many discussions with my colleagues on this issue.

We are very concerned that the smuggling problem we are facing now is seriously undermining years of policy building that has resulted in a reduction in smoking among Canadians. We are seeing an increase in smoking among young people especially that is very troubling.

We must act to restore the reduction in smoking among the Canadian population and any action this government takes will take all of these factors into consideration.

Mr. Ian McClelland (Edmonton Southwest): Mr. Speaker, I applaud the minister's strong representations within cabinet. I would like to ask specifically if the minister has asked the minister of revenue to ensure that tax policies will not be fashioned to protect the tobacco industry or to cave in to law breakers, that is to cave in to people who would break the law, or to extract more taxes from people addicted already to cigarettes.

Hon. Diane Marleau (Minister of Health): Mr. Speaker, we also are very concerned with all aspects of the smuggling problem and we are going to deal with it in a very forthright and open manner.

* * *

[Translation]

CANADIAN HEMOPHILIA SOCIETY

Mr. Pierre de Savoye (Portneuf): Mr. Speaker, following the tainted blood scandal implicating the Canadian Red Cross Society, the Canadian Hemophilia Society wants all the circumstances surrounding the contamination of several hemophiliacs with the AIDS virus to be fully explained.

Will the Minister of Health tell us why she is trying to gag the Canadian Hemophilia Society by limiting the financial assistance needed by this organization to testify at the hearings on the issue of tainted blood?

Hon. Diane Marleau (Minister of Health): Mr. Speaker, as you know, we are very concerned by this issue, but the system which was set up, namely the appointment of a judge and the allocation of funds, had been decided by the previous government. I can assure you that we are examining the issues which concern the Canadian Hemophilia Society.

(1450)

Mr. Pierre de Savoye (Portneuf): Mr. Speaker, am I to understand that the Minister of Health recognizes that the Canadian Hemophilia Society is the organization most directly concerned by this issue and that, consequently, the minister will

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immediately undertake to give it the necessary support so that it can provide the best possible input at the hearings?

[English]

Hon. Diane Marleau (Minister of Health): Mr. Speaker, I am aware the hearing into the tainted blood that will be managed by Judge Krever is looking at asking for additional funds. The question is being considered by Treasury Board at this time.

* * *

HEALTH

Mr. Ted White (North Vancouver): Mr. Speaker, my question is for the Minister of Finance.

The results of two studies released by the National Cancer Institute of the United States show that the incidence of colon and rectal cancer is higher among smokers than non-smokers. Also recent statistics show that lung cancer has now passed breast cancer as the leading cause of cancer deaths among women.

Does the Department of Finance officially recognize the role that cigarette smoking plays in the incidence of many cancers, heart and lung disease and that proposed reductions in the tax on cigarettes would increase both smoking and the incidence of these diseases?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, this side of the House is under no illusion as to the health effects of smoking. Whatever action we take, as has been so well articulated by the Minister of Health, will be taken with a view to mitigating those effects. The government must make sure that smokers in this country understand full well the dangers they are running in smoking and that we will not allow Canadian health to be jeopardized.

Having said this, the only thing I would raise is the necessity for some consistency of view. It was pointed out to me that the member for Calgary North has expressed quite publicly her support for a reduction in the taxes.

I might say to the leader of the Reform Party that some consistency of view from that side of the House would certainly help the Canadian people in understanding where his party is coming from.

Mr. Ted White (North Vancouver): Mr. Speaker, I have a supplementary question for the Minister of Finance.

In 1987 and 1988 the minister was on the board of directors of Imasco which owns Imperial Tobacco.

I would like to ask the minister if he could assure this House that his past association with Imasco—

The Speaker: The question is rather reaching back. Perhaps the member could rephrase his question to bring it more up to date.

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Mr. White (North Vancouver): Yes, Mr. Speaker. I would like to ask the Minister of Finance if he feels he will be able to fairly consider the reintroduction of an export tax as the best way to discourage both smoking and smuggling.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, I would be delighted to answer the member's question, although I think that he himself ought to feel a little ashamed in asking it.

The fact is that I was on the board of Imasco. I joined the board. It is a company which is controlled from abroad. As a strong Canadian nationalist I was asked to join because it was very important that Canadians be represented on that board of directors.

It is a company which is involved in a great number of ventures within this country and is creating an enormous amount of employment in many areas that have nothing to do with tobacco. It also happens to be something that is in the private sector which I thought his party was supposed to understand.

I would not have thought it necessary to stand up in this House and say this. Let me try to say this very clearly and very calmly. Many members have experience in a wide number of areas. One of the tremendous things one would hope is that having all these new members and the ability to create a new atmosphere is that they bring that experience to this House. Some of them may well have experience which conflicts with what the government is doing and things the Canadian people want to see happen. But I would never want to see any member stand in this House and say that someone's experience or background prejudices his or her decision.

(1455)

Let me state unequivocally that I will act in the interest of the country in everything that I do.

Some hon. members: Hear, hear.

An hon. member: And let that be a lesson to you.

* * *

BOSNIA

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, my question is for the Minister of Foreign Affairs. Peace negotiations among the belligerents in Bosnia are to resume in Geneva on February 10.

The United States is being asked by Britain and the United Nations to take a more active role in negotiating a peace settlement. The Russians have a key role to play as well.

Does the minister agree with the British foreign secretary, Douglas Hurd, that the United States should be more active in

seeking a negotiated peace? Can he tell us what the Government of Canada is doing to forge a common international approach?

[Translation]

Hon. André Ouellet (Minister of Foreign Affairs): Mr. Speaker, let me say that in the past few days I have spoken on the telephone with my colleagues, the French foreign minister and Secretary Hurd, and that in the next few hours I am to speak with Warren Christopher, the American secretary. Of course we are all trying now to make diplomatic efforts to bring the parties to the conflict in the former Yugoslavia to make peace.

Regardless of what we may all try to do, it is up to the belligerents themselves, first and foremost, to decide to make peace. Only then can we reach the goals which have been set. I also asked a small delegation of senior Canadian officials to make a tour in the coming days to meet the UN authorities in the field, to go to Geneva and also to the major capitals of the countries whose troops are involved in peace operations in the former Yugoslavia, in order to try to have a coherent, unified policy on solving the continuing impasse over there.

* * *

SENATE

Mr. Gaston Leroux (Richmond—Wolfe): Mr. Speaker, today a journalist in *La Presse* enlightened us about the horrible overspending of the Canadian Senate. The Senate costs over \$43 million a year, and it sat only 47 days last year, with an average of 22 senators away each sitting day. In addition, we learned that a senator had his floor raised, at taxpayers' expense, so that he could better see the Parliament buildings through the window from his chair.

The Speaker: Order! I think that we are not in the best position to answer questions about what goes on in the other place. Perhaps the hon. member could ask a question about the House here, instead of about the other Chamber. If so, I will let him continue.

Mr. Leroux (Richmond—Wolfe): Mr. Speaker, does the Prime Minister intend to intervene to end this waste and to let this House study the budget of—

The Speaker: Order! I give the Right Hon. Prime Minister the floor.

(1500)

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, it would be much nicer if the hon. member thought a little. If he had voted for the Charlottetown Accord instead of fighting it, we would have an elected Senate today, and the grievances which he has today would not exist.

He should admit the mistake that he made last year. It is his fault if we have an unelected Senate today. I think it would be very useful to have an elected Senate in Canada. We tried to get

Business of the House

one in the past, but we do not think it is possible at this time because no one in Canada wants us to discuss the Constitution.

The Speaker: I would prefer it if we asked questions about this House instead of the other one. I might have decided that perhaps the Prime Minister would not have to answer that question. If the hon. member has a question about this House, perhaps he could ask it?

Mr. Gaston Leroux (Richmond—Wolfe): Mr. Speaker, does the Prime Minister intend to cut the Senate's budget?

The Speaker: We shall go on to another question. The hon. member for Yukon has the floor.

* * *

[English]

TAXATION

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

It appears that the government is contemplating caving in and lowering taxes on cigarettes regardless of the cost to the health of Canadians and to the health care system. Since the government is seriously contemplating this proposal, does it mean that the government is now going to set tax policy based on those who break the law rather than on those who make the law?

Right Hon. Jean Chrétien (Prime Minister): Mr. Speaker, the government has an obligation to use all means at this time to ensure we destroy the racketeering that exists in the land regarding cigarettes, alcohol and so on. We will act in order to make sure contraband disappears in Canada for good and as quickly as possible.

* * *

POINTS OF ORDER

COMMENTS OF MINISTER

Mr. Art Hanger (Calgary Northeast): Mr. Speaker, I rise on a point of order in reference to a comment the minister of immigration made in quoting from a Canadian wire press release statement that lumped together several things that were just touched on in my address yesterday to his statement. I object to the minister's comment that I said these specific things.

The Speaker: The hon. member is probably well within his rights in the give and take of debate, but at this point I cannot see a point of order. It would be a point of debate. I think we should just progress from there.

[Translation]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval): Mr. Speaker, since we now have this opportunity, I would like my colleague, the leader of the government, to tell us about the business for the balance of this week and next week.

[English]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, today we will continue the debate on the motion for social policy review.

On Friday, as discussed with the opposition House leaders, we will commence debate on second reading of the equalization legislation. When that is completed we will deal with the legislation respecting the implementation of the NAFTA side accords.

On Monday we will have a debate on revitalization and renewal of the rules of the House of Commons.

On Tuesday we will complete debate on the two bills I have mentioned as well as the bill to merge the two wings of the Department of National Revenue, with the idea of completing debate on second reading of those three bills. Any votes that would be required would be taken at six o'clock in the evening on Tuesday.

(1505)

We will discuss further the business we intend to call for the balance of the week, but it is likely there will be one or more opposition days.

[Translation]

Mr. Gauthier (Roberval): Mr. Speaker, would the leader of the government inform us about Wednesday's and Thursday's business, because there had been some talk about Wednesday being perhaps an Opposition Day.

[English]

Mr. Gray: Mr. Speaker, it is very likely that Wednesday will be an opposition day. I will confirm that with the member as soon as possible.

[Translation]

Mr. Gauthier (Roberval): Mr. Speaker, I would like to check with the leader the agreement that we had regarding consideration of Bill C-3 on Tuesday instead of Friday, since Bills C-2 and C-4 will be considered on Friday. I would like him to confirm if that is still the agreement.

Mr. Gray: Mr. Speaker, the hon. member is right; that is still the agreement.

*Government Orders***GOVERNMENT ORDERS***[English]***SOCIAL SECURITY SYSTEM**

The House resumed consideration of the motion.

Mr. Jim Abbott (Kootenay East): Mr. Speaker, as a new member of Parliament it has been very interesting to uncover many of the ideas and directions that seem to permeate politically correct thinking on Parliament Hill and within the news media. Yesterday was a classic example when the minister of immigration stood in the House and told Canadians we were going to be receiving an additional quarter million immigrants in the next 12 months.

I suggest the expressions of concern around coffee tables or living rooms last evening in the homes of many Canadians were not reflected in the minister's quota. It was particularly instructive yesterday when the immigration critic for the Reform Party stood in the House. There were expressions of humour and derision from some of the Liberal Party members when he made the statement that the Reform Party was not opposed to immigration.

We stand for a balanced approach to immigration based on economic need and benefits to Canada. Clearly some of the Liberal members have prejudged that the Reform Party is anti-immigration and therefore found his statement humorous. Of course the concept of prejudging is the root of the word prejudice.

We all judge statements and actions by other individuals in the light of our own experience or sometimes unfounded assumptions. Perhaps an old line party like the Liberals should take instruction from the fate of the other old line party which was decimated in the most recent election.

I make these statements as a preamble to suggest that the old, tired, worn out concepts which have led to a crisis in many Canadian families relating to child care clearly have not been successful. Perhaps government members would be well advised to assume Reform Party MPs and the ordinary Canadians who they represent share the same concerns that they do.

We want what is in the best interest of Canada, for Canadians and especially our nation's children. Do not prejudge our ideas that may be interpreted in so-called code words, because I choose to speak in clear, concise, simple English. There is no other meaning that is contained in these clear, concise words.

The Reform Party supports child care programs that subsidize financial need, not the method of child care chosen and that subsidize children and parents, not institutions and profession-

als. The Reform Party supports government regulation of day care standards. The Reform Party opposes state run day care.

(1510)

Reform Party policy is generated through a bottom up, grassroots approach where hundreds of thousands plus of our members have an opportunity, indeed a responsibility, to give direction to their representatives in the House.

There are many Canadians who feel any government subsidies or expenditures by government in support of child care must be balanced and do away with a system that is complex, inequitable and inadequate.

The Prime Minister in a year end interview with *Maclean's* magazine stated:

Day care is an economic program as much as a social program, because if you have a good system of day care you create more jobs. The people who want to work will be able to do so and the people who take care of the children will have new jobs.

The Prime Minister acknowledges the element of social engineering that drives the economic considerations.

What about those parents who choose to stay home and excel in the job of homemaker? Should we have a taxation and benefit system in Canada that fundamentally forces parents out of their homes? We support parents and those responsible for bringing up children who choose to work outside the home. However I submit we are the only party that equally supports parents who choose the worthy vocation of working within the home as the homemaker.

Following a thorough study I would visualize the Reform Party supporting an increase in the per child personal tax exemption and amending tax rates so that a single income family earning \$60,000 annually pays no more tax than a two income family where each parent earns \$30,000. This would work to use the tax code to be fair to families that choose to have one income earner rather than two.

Let me express some of the concerns to the House that some Canadians have with respect to institutionalized child care. They cite studies that show children put into day care at an early age having difficulty forming affectionate and trusting relationships later on. I am not stating that there is any conclusive evidence of this, but I am stating it is a concern for many Canadians. My own personal sentiment is that in the vast majority of cases day care is, after all, a poor substitute for a child's own mother or father.

To subsidize state run day care and not give equal subsidy to families that choose alternatives is prejudicial and has the potential of forcing children into a situation that many parents in Canada reject.

We want to promote policies in which single parents who are either forced to work or choose to work outside the home have the option of entrusting the well-being of their children to other family members or close friends. Should their situation not

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receive equal subsidy? With government subsidy of only state run day care Canada closes the option of parents exercising their responsibility to choose what they judge best for themselves and for their family.

We are very conscious of the tragic situations such as the situation which has led to the Martensville trial in Saskatchewan. We are aware that there are many other circumstances wherein children are not being properly cared for in unlicensed day care facilities. This is why I restate that the Reform Party supports government regulation of day care standards.

We are also concerned with the impact that unlicensed day care has on the so-called underground economy where there is a reward for not declaring income derived from what is essentially an in-home business. We view with concern the changes that the Conservative government brought to child benefits and other social programs through what has been described as a skilful exercise in the politics of stealth.

Without an informed and open public debate Canadian social policy especially in the area of child care is wandering aimlessly without thorough discussion, study or input from concerned Canadians. It is important that members of the House go out of their way to inform their constituents of details and background on this and many other issues so that concerned Canadians will be empowered to give meaningful input to the political process and indeed to the direction of the government with respect to family issues.

(1515)

We must listen to our constituents because I believe that the answers to these problems lie outside this Chamber and reside in the homes of our citizens. Discussions in restaurants, coffee shops, living rooms and around kitchen tables should be the source of intelligent direction for this House.

In the government's order for today's debate it requested broad consultation to analyse and make recommendations regarding the modernization and structuring of Canada's social security system with particular reference to the needs of families with children.

As a Reform Party member I am speaking for the ordinary Canadian whose voice is not normally heard in this Chamber or indeed in front of standing committees. I believe there are countless millions of Canadians who are not represented by the vocal special interest groups. They reject the vision of child care that includes state intrusion into the family. Social responsibility, yes; social engineering, no.

Those voices are calling for a balanced system of taxation, regulation and direction from the government which will treat all Canadians, all families, all parents equally. They want social engineering by the government terminated. It has been said, and

I agree, that a nation is no stronger than its most basic unit: the family.

Mr. Pat O'Brien (London—Middlesex): Mr. Speaker, first of all let me congratulate the hon. member for his comments. While I listened with great interest I was glad to see him in the course of his remarks switch from the term day care to child care. In fact as we well know the more relevant term that reflects the reality of our society right now is child care. Many children need that care at various times throughout the day and therefore the traditional term is very much out of place. I was pleased to hear him shift to the appropriate term.

That is simply not a matter of political correctness. It reflects the reality in our society today and the fact that so many children need care outside the home. I say unfortunately because I agree with him that certainly a parent is the best provider of care for one's child, if that is possible.

This leads me to my question. I wonder if the hon. member would support a measure which would, through the Income Tax Act, reflect a credit to a parent? Let us be candid. Usually that would be the mother, but not necessarily always. Would the hon. member support a measure which would give a tax credit to a parent who, in fact, chooses to stay home and provide full-time care for the child?

Mr. Abbott: Mr. Speaker, in response to the hon. member's question I offer a qualified yes. I say that there must be a balance so that there is the ability for parents to choose what is best for their children. If in fact a child tax credit is the best way to go about doing it or the measure that he had suggested is the best way of going about doing it, I would support it but it is a qualified yes.

My qualification is that at this point I do not believe nor do any of the members of our party believe that the country is in a position to actually take an action like that. If it was revenue neutral I would suspect it would find support within our party.

Mrs. Karen Kraft Sloan (York—Simcoe): Mr. Speaker, as a working mom who has had two children in day care or child care I really object to the tone of the hon. member when he seems to suggest that my children have had an inferior upbringing. I would like to attest to the fact that my children have proven themselves to be admirable members of their community and have contributed a great deal.

Could the hon. member please give us a precise definition of what social engineering is?

Mr. Abbott: Mr. Speaker, through our taxation system frequently there are situations where it is beneficial for our citizens to take particular actions. I cite as an example the situation I mentioned in my speech where right now under our taxation it works to a net benefit to a family to have two income earners at

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\$30,000 rather than one income earner at \$60,000 and yet the gross income before taxation is equal.

(1520)

I suggest that kind of policy forces the situation where people make choices. I am not suggesting for a second that the choice a family may make when two people determine it is in their best interests and the best interests of their family that there should be two wage earners, that that is an inferior decision, not for a minute. What I am suggesting is that by the taxation act as it presently exists it works in a prejudicial manner against those who choose to have one income earner.

[*Translation*]

Mr. Philippe Paré (Louis-Hébert): Mr. Speaker, I would like to make a short comment. I do not think we have to oppose a daycare system sponsored by the government and daycare services at home.

Ideally, we should have a system whereby parents can choose between two solutions according to their values and the circumstances. I spent my whole life in education, and I can confirm that for some children day care was very traumatic and a source of serious problems. This might have nothing to do with the daycare operation itself, but could be linked to the lack of resources. Clearly, daycare centres do not always offer the quality of service they should. I believe that parents who do not want to send their children to daycare centres should have a choice, although it remains to be determined whether this choice should carry with it social benefits. I think this would be a proof of respect for the parents' values.

The Deputy Speaker: I do not believe this is a question. Does the hon. member wish to comment?

[*English*]

Mr. Adams: On a point of order, Mr. Speaker. It seems to me that immediately before Question Period the member for Kitchener spoke and if I heard correctly the person in the Chair at that time said there would be an opportunity for five minutes of commentary and questions on his remarks.

I wonder if that is the case.

The Deputy Speaker: Thank you for raising that point. In fact I am told that the member you just spoke of was not in his seat at two o'clock. Therefore his 10 minutes of comments or questions expired because he was not here.

Other members might wish to know this too. If you do not show up, you do not get your questions and comments.

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, Canadians are proud of the social programs we have built together. We are proud of our sense of fairness and justice. We care when people are unemployed. We care when people are

poor. Together we have built social programs which are the envy of the world, from medicare to the old age pension.

We Canadians are also proud of our common sense. Today common sense tells us that we must rebuild and improve our social programs to meet the new needs and challenges of the 1990s.

We need to reform and strengthen our social system so that we can provide all Canadians with a fair chance to seize the opportunities of the 21st century.

[*Translation*]

The Liberal Party was the architect of major social reforms in this country. With the assistance and the proposals of all Canadians, the new Liberal government intends to pursue its social work.

We cannot allow nor do we want to allow past successes to prevent us from seeing the need for change. Our goal is to change our income support programs without threatening our values of fairness and compassion.

[*English*]

In the past we have created programs which have substantially reduced poverty among senior citizens. Now we must forge creative programs to reduce the poverty among children. There is really something wrong when in a country as wealthy as Canada over one million Canadian children use food banks every year.

(1525)

We know that when children live in poverty they get sick more frequently, they do worse in school, they have fewer chances to succeed. We owe it to our children to ensure that all of them have a chance to succeed in life. That is why I welcomed the announcement by the Minister of Human Resources Development that Parliament will hold immediate, wide ranging and open public hearings on reforming Canada's social system. The task before us is mammoth but we owe it to Canada's children to succeed. We need the wisdom and the input of as many Canadians as possible and that is why these public hearings are so vital.

Just as we must act to confront the problems of children living in poverty, so we must act to confront the problems of teenagers who drop out of high school. In the last three years alone the number of jobs held by high school dropouts has decreased by 17.2 per cent. We cannot leave these young people permanently stuck on a dead end street. We need to rethink our apprenticeship programs. We need to rethink our training programs. We need to give young Canadians a chance.

The government's plan to introduce the youth service corps is an excellent start, but we acknowledge that it is only a start. We need to find new ways of guaranteeing that young Canadians

have both basic reading and math skills and also the skills they will need in the knowledge-based industries of the future.

The bottom line is that we have to provide young Canadians with the skills to get off and stay off social assistance. That is the right thing to do both ethically and economically.

As we consider the realities of the 1990s we must remember the plight of hundreds of thousands of Canadians who have lost their jobs during the recent recession. There are so many decent, hard-working people who have lost their jobs as a result of massive layoffs. These are Canadians who have been robbed of their dignity through no fault of their own.

We must consider during our public hearings what new hope, what new help, what new training we can provide for older workers who have lost their jobs. How can we help these older workers regain their dignity?

I am not talking about doing favours for people. I am talking about making sure that we tap the talents of all Canadians and allow all Canadians to play a role in building a vibrant and prosperous society.

As we think together about how to improve Canada's social programs during changing times, we must focus on the reality that Canada's population is aging. How do we cope with this new reality? More important, how do we enable senior citizens to remain active and independent members of society? How do we start tapping the invaluable resources that senior citizens provide?

One answer to all these problems is to say that it is just too bad. It is too bad that some kids are poor. It is too bad that a lot of teenagers have dropped out. It is too bad that older workers have no prospects. It is too bad that senior citizens are kept from making a contribution. That is one response, but it is not the Liberal answer and I do not think it is the Canadian answer.

[*Translation*]

Canadians will solve these problems. We are really concerned with social programs and Canadians will be very happy to have the opportunity to express themselves during these public consultations.

[*English*]

Canadians who are in dire financial straits need help to survive. They also need help to get off and stay off social assistance. Part of the solution lies in greater job creation and the government has already indicated its commitment to this end.

Another part of the solution lies in redesigning our social programs so that Canadians are equipped to fill those new jobs.

(1530)

In the months and years ahead all of us must work together to reform our social programs so that we can end poverty in this country.

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The lessons of the great depression led a Liberal government to introduce unemployment insurance. The need to fuel a post-war economy led a Liberal government to introduce family allowance. The need to offer more people a chance at higher education led a Liberal government to introduce Canada's student loans.

The Liberal government of today is prepared to meet the social needs of the present from child poverty to opportunities for our youth, to laid off workers, to an aging population. We want to strengthen our social system and we want to include the Canadian public in the process.

We believe that the healthiest changes, the best changes, are made when Canadians agree to the changes together.

I look forward to the public hearings on these vital issues in my own riding of Hamilton Mountain and I look forward to hearing the views of Canadians right across our land.

Mr. Jim Abbott (Kootenay East): Mr. Speaker, it is interesting in the dialogue between political parties that we always seem to end up at the same point.

During the course of this election it was very interesting to me that the Liberal candidate in my riding went out of his way to make sure that people in our constituency felt comfortable with the fact that the Liberal government would not do anything, or had no plans with respect to social programs. We may recall very briefly that during the course of the election the former Prime Minister with the summer job also was really taken on in the area when she suggested that there might be some look at or revision of social programs.

I wonder if the member might not agree that it would have been helpful to the Canadian public if they had been made aware that in fact the Liberals when they became government were going to be doing a complete review; if it might not have been helpful for them to make a judgment based on what appears to have been a predetermined plan.

I suggest that there has been a situation in Canada during this election process where our party told the Canadian people about our plans, though they may be open to question, and that the social program had to be looked at if it was going to be maintained.

Ms. Phinney: I am surprised that perhaps the hon. member has not read the red book. I thought everybody had read the red book by now. All the way through that red book it explains that we were going to keep the social net; that there would be nobody falling through it; that we would make sure all the protection that has been there in the past will be there in the future, but that there will be changes. There would be consultation. We would bring Canadians in to allow them to express what they felt about the programs and the state that they are in.

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I agree with you that the response by the former Prime Minister—and we can appreciate why she is not the Prime Minister now—felt that there was not enough time during the campaign to talk about what she had to say about the social programs. Probably that was more because she did not have anything to say about the social programs rather than because there was not enough time.

Mrs. Brenda Chamberlain (Guelph—Wellington): Mr. Speaker, I am pleased that the member for Hamilton Mountain has placed such an emphasis on youth as well as our studying of the social programs. I think that is very important.

We know our youth has an unemployment rate of about 20 per cent right now and we know that in the future career changes for youth will be four to five significant career changes. These are real career changes. These are not simply moving up the ladder or sideways, or into something a little bit different. This will be totally different career changes.

(1535)

This is a really different world and we are all very much aware of that. It is absolutely imperative that we look at all groups but youth is our future. That is why I am particularly pleased that the member for Hamilton Mountain did place such an emphasis on youth.

My question has to do with the apprenticeship program that the red book, now famous of course, talks about. We know that an apprenticeship program is extremely positive and it is a good way to go.

It is my belief from the background that I have had it is really important that when we implement an apprenticeship program we bring in all partners: labour, business, industry as well as education.

Therefore I am wondering if the member for Hamilton Mountain could comment on that and the importance of making sure that those groups are not forgotten.

Ms. Phinney: Mr. Speaker, the hon. member is perfectly right.

The apprenticeship programs are very important. We have seen in other countries how much this can contribute to the future of individual youth and also to the country.

One of the problems in the past is that all the people involved in the apprenticeship programs were not consulted, in particular on the needs in a community. Before people were registered in an apprenticeship program or by the time they got through a year and a half of it they realized that they were never going to get a job when they finished the program. They quit and the drop-out rate was about half.

What we are planning to do now is to make sure that those groups, including labour, are consulted and that the courses we

offer for apprenticeship programs will mean that youth afterwards can get a job.

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health): Mr. Speaker, this is my first time to rise and speak on the floor.

I would like to congratulate you on your appointment. I look forward to working with you. I would like to congratulate everyone here for being elected. Obviously constituents felt that members were worthy of that trust and have sent them here.

I would like to apologize to the members across the floor from the Bloc Quebec for not speaking to them in French. It is a sign of respect. I am afraid I do not have the confidence quite yet to attempt to do it. Never mind, I will be doing it soon.

My riding is Vancouver Centre. I do not want to go into the geographical and regional description of Vancouver Centre. What I want to tell members about Vancouver Centre is that it is a microcosm of Canada.

Vancouver Centre represents on the one hand some of the wealthiest people in this country. On the other hand, it represents people who live in abject poverty in one-room hotels in the middle of the riding. I therefore feel that I can speak with some authority on the problems that we are facing today in terms of our economic and social problems.

The reason I lump both of those into one is that they are not single problems. We cannot in any way remove or separate the problem of economic disorder that we have in our country from the problem of looking at our social programs. They are totally and completely interdependent.

A strong social program—I do not like to use the words safety net—a strong sense of social responsibility is very important if we are to look at economic growth. Unemployment has a major impact on our ability to gain revenue. Unemployment drains our coffers of money that we pay for unemployment insurance.

When unemployment insurance expires, our coffers are further drained by helping people who are on welfare. On the other hand, if we have people working and contributing they contribute to the wealth of this country not only economically but in terms of their self-esteem.

I am a family physician and I have yet to meet, in fact the number of people I know is very small who want to stay on welfare and who want to be unemployed. People want to work. It has everything to do not just with money but with self-esteem, a sense of self-worth and a sense of contributing to the growth and future of our country. This is why we cannot separate these two issues.

I would like to speak to the motion because I believe that the motion made by the hon. Minister of Human Resources Development is a very important one. I do not understand how we

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could be debating it at all. We should all be saying that we agree with it.

Really all the motion is asking is for us to look at ways in which we could change, modernize and up-date our social system. This needs to happen. We cannot have an inflexible system. We are moving into the 21st century. Our needs have changed. Our economic way of living has changed. We need to look at how we do things to make them not only more efficient but more applicable to the needs of the people and more cost effective.

(1540)

It does not mean that we are talking about cutting programs. We are talking about making them more efficient. The minister has invited not only all of the members across the floor in both opposition parties, but he has invited the people of Canada, the provinces, the municipalities and non-governmental organizations to work together to find that common ground.

It is not a coincidence that the Liberal Party was elected with a specific mandate to find that common ground. Nor is it a coincidence that when we put our red book forward it contained a total package of a plan for the future of this country. It is in fact because of a strong Liberal tradition and heritage that the Liberal Party has recognized the need for a socially responsible society.

Socially responsible means allowing people the dignity of working, as the Prime Minister has said so often, and allowing them to do so by giving them the skills to enable them to get to that position.

There are always going to be people in our country who will not be able to realize their full potential by working. We will always have among us people who will be disabled in some way. That is the social safety net. However the ability to bring people into realizing their full potential is the Liberal way. That is what this motion does.

This motion speaks to making our system more applicable and more able to move us further into the 21st century so that Canadians can become strongly independent people, recognizing their full potential and able to contribute to this country. That is all the motion states.

The debates I hear are pre-empting the results of that kind of consultation around this country. They have pre-empted it. That is one of the problems that people have always had with our political system. We have never allowed a process of consultation to work. We sit and indulge in rhetoric. We score points on each other by trying to say that this is what we are going to be doing and what we are not going to be doing.

The motion is clear. It asks for our co-operation and our commitment to looking at how we change our system. It asks no

more than that. It is a promise that the Liberal government made. It is a promise in the red book. Everyone has heard about the red book. It is not a magic book. It has not some wondrous tone that one has to have a Ph.D. in literature to understand. It is a simple articulation of the core value of the Canadian people, which is what we and our Prime Minister seem to have been able to articulate very well.

It has been two years in the making. We consulted not just with Liberals but with people all across the country and around the world regardless of their political stripe. We brought them in to talk about the need for change, to look at not changing the bottom line, which is a strong sense of fiscal discipline together with social responsibility, but how we can do that differently.

It is obvious that the old ways have not worked. It is obvious that the solutions we used in the past were useless. We are saying: "Let us work together to change this, to make it different".

I do not even know why we are debating this motion, hon. colleagues across the floor and within my own party. It is obvious to me that it is the only course of action we must take. What I would like to ask of members instead is that they come together with us in this endeavour, that they co-operate, that they help to consult and that they help to make the difference.

People have elected us for change. They have elected all of us, the Reform Party and the Liberal Party across Canada, to help move this country forward so that we can be globally competitive and that our individual Canadians can be independent. That is what we would like members to do. Let us do it together so that we can create a country that we can all, regardless of our political stripe, be proud of.

Mr. Benoît Tremblay (Rosemont): Mr. Speaker, I have a question for the member for Vancouver Centre. The Liberal Party had nine years in opposition to consult and we received this little red book. What does the member think the Liberal government can do in nine months? It is not time for a decision.

(1545)

Ms. Fry: Mr. Speaker, I am afraid I do not understand the member's question very well. He said that the Liberal government has had nine years to consult. Is that the question?

The Liberal government has been in opposition for the last nine years. It has not been a position to set the course for this country. Now that the Liberals are in government it has taken the bull by the horns. We have not sat around and gazed at our navel. We have decided on a plan of action. Let us get on with it. There is a time line to this. We promised to follow a specific time line and we are going to do it. A report will be ready by September 1994 and we are saying, help us to do it.

Mrs. Jan Brown (Calgary Southeast): Mr. Speaker, I was delighted by the comments of the hon. member.

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What I am about to say is not a challenge to the member in the least. She made a statement about lumping social policy and economics together. Indeed they are an interdependent coupling.

My concern is the rhetorical piece that is the red book for me does not have the economic elements within it that satisfy what we must do for Canadians to get them back to work.

My daughter is 22 years old and does not have a job, although she has a university education. She says: "Mom, please do not come back home and say you can do nothing". It is the rhetoric that is my concern. If we are going to co-operate it is incumbent upon us to look at economic policies and marry that with social policy. That is how I hope we can co-operate in this House.

In my view the debate has helped to push us along that path.

Ms. Fry: Mr. Speaker, I am pleased to hear that the hon. member and I have much in common. I have a 25 year old who has a university education and not able to find work either. We have all come here with the same bottom line. We are all looking for the same things.

I do take exception to the fact that the hon. member said the red book is long on rhetoric. The red book is very long on specifics. These are the plans of action into which we are now moving. The immigration plan is clearly set out the red book; our economy plan is clearly set out in the red book and our social policy is clearly set out the red book.

She has asked that we marry the two and look at a way to bring them together. That is precisely what this motion speaks to.

[*Translation*]

Mr. Paul Mercier (Blainville—Deux-Montagnes): Mr. Speaker, reading, writing and understanding even a very simple text is still a problem for many of our fellow citizens. The problem is even worse for the illiterate and has a negative impact on the development of our society as a whole. In my speech I would like to expand on the various aspects of this problem.

In this country, one adult out of four can neither read nor write sufficiently well to meet the requirements of daily life. It may seem hard to understand that in 1994, this kind of problem exists, even among young people, since schooling has been compulsory for more than 50 years. In fact, today, a whole generation is paying the price of the school reforms that took place in the 60s.

However, schools are not the only culprits. The current trend towards family dislocation is also to blame. Well-known authors have stressed the major impact of the family environment on the child's ability to learn to read and write.

Finally, the private sector has not played the role assumed by its counterparts in other industrialized countries. Seventy-six

per cent of Canadian businesses with more than 50 employees in Canada have no policy for training human resources.

And last but not least, there is the federal government's responsibility regarding the high rate of illiteracy in Canada.

I would like to start by commenting on the negative impact of federal involvement in this area.

(1550)

I condemn the almost inevitable inefficiency of a policy where responsibilities and resources must be shared, discussed and fought over by two levels of government: one which has legal jurisdiction over this area, in other words, the provinces, and the other which for years has insisted on invading this area of responsibility in a totally illogical way which also has been very detrimental to our financial resources. This is typical of the federal government.

Ottawa's failure to support literacy in this country includes the poor allocation of federal resources as a result of jurisdictional overlap.

The hundreds of millions of dollars wasted annually as a result of this overlap could have been used, for instance, to create a pre-school network similar to those that exist in many western countries. The positive correlation between early socialization of children and academic achievement has been stressed repeatedly. As the Deputy Prime Minister said last Tuesday, the years between zero and five are critical.

With the money saved, Quebec, if it had a free hand, would have been better able to help organizations engaged in literacy training and occupational training.

In my own riding, for instance, we have a regional adult education and occupational training service provided by the Sainte-Thérèse, Deux-Montagnes et Saint-Eustache school boards. Their budget has just been cut by 13 per cent, despite the magnificent job they are doing.

Changes in the family structure, as I said before, are also responsible for illiteracy. But does Ottawa do enough to adapt to these new structures? To working mothers? To single-parent families? What is the federal government doing to create a genuine daycare network, as an alternative to pre-school establishments? The private sector is not doing enough? That is pretty obvious. But is there not a case for giving them better incentives to do their share in retraining manpower?

In any case, looking for scapegoats is not going to solve the problem. It is high time to put in place what is needed to fight illiteracy.

Need we recall why action is urgently needed; and why illiteracy is a scourge? First of all, illiteracy cuts people off from their culture. That is clear. Knowing how to read and write is the

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key everyone needs to open that door, and the illiterate person who does not have that key cannot enter that world.

Second, there are the practical requirements of daily life in our society which include a minimum knowledge of reading and writing. I am sure the Minister of National Revenue, and it is too bad he is not here, would be very upset if we were not capable of completing our income tax returns and then writing him a cheque. You have to be able to read and write to do that. We also have to be able to read our contracts, bills, and so forth. Need I go on?

Finally, and this is a particularly urgent question today, there is the matter of getting a job. Illiteracy has always been a handicap in this respect. It has barred individuals from the better jobs. Today, the consequences are far worse. In today's society, occupational skills, including literacy, are no longer a guarantee for getting a good job. They are an absolute requirement for any job at all.

Two-thirds of the jobs created by the year 2000 will require at least grade twelve. This means that illiteracy wastes part of our human resources. It undermines our economic development and diminishes our competitive position vis-à-vis countries that are more concerned than we are about the training of their labour force.

In accounting terms, providing sufficient funding to fight illiteracy today is a good investment for the government because it means fewer welfare recipients and a broader tax base tomorrow.

To get a maximum return on this investment, how it is used should be determined locally. Aside from the fact that it is pretty useless to have an army of officials in Ottawa make general, high-sounding statements, it also does not make sense and it is counterproductive in the extreme to claim there should be common standards for a literacy policy from coast to coast, for Canada and Quebec.

(1555)

Who could claim, unless it is for partisan reasons, that it is not in Quebec, with its distinct culture, that such a policy should be implemented if we are looking for efficiency and not electoral visibility for the federal government.

The best way to avoid overlapping is for the federal government to withdraw from that field. To come closer to that ideal situation, Quebec and Ottawa should at least sign that agreement giving Quebec control in that area.

To conclude, I would like to congratulate the hon. Deputy Prime Minister for the pathetic plea for the unemployed she made on Monday. She said that our society was sick with unemployment and that one of the causes of the disease was the lack of training of part of the population. I agree with that, but

what I do not agree with is the method she proposes to find and then apply the treatment capable of curing society of unemployment.

For Quebec, she says, the disease could be beaten if the two doctors, Quebec and Ottawa, would stop quarrelling, would agree on a treatment and would apply it together. Ever since Molière wrote his play, we know what happens when one or more physicians are called to the bedside of a patient: the fees are high and the funeral director is never far behind.

What we propose is that the Ottawa doctor leave promptly, before it is too late, and leave the patient in the hands of his Quebec colleague who, being closer to the patient, is in a better position to treat him efficiently.

[English]

Mr. John Bryden (Hamilton—Wentworth): Mr. Speaker, I enjoyed very much the remarks of the hon. member. I want to make one observation.

I believe that education is within provincial jurisdiction in Canada. I would have thought to some degree the problems in education that pertain to illiteracy and difficulties in reading have to do with the quality of instruction at the provincial level whether it be in Quebec, Ontario or any other province.

Therefore I ask the hon. member if he supports national standards in education as a way to confront this problem?

[Translation]

Mr. Mercier: Mr. Speaker, obviously, the question that was just asked is extremely interesting. Would it be appropriate to have common standards? And I presume that the hon. member is wondering whether it would be useful to have the same education standards from the Atlantic to the Pacific.

My answer is no. Of course, there are some common principles but, as I was saying, beyond the virtuous general statements to the effect that education must be aimed at educating and that the language must be good and so on, I do not see the need for Vancouver and Quebec to have the same objectives. I am still saying that it is not necessary for Quebec's education goals to be established in Ottawa.

Mr. Gaston Péloquin (Brome—Missisquoi): Mr. Speaker, as this is my first official speech in this House, I would like, with your permission, to congratulate all members on their election and congratulate you on your appointment to this responsible position.

I would also like to thank the voters of Brome—Missisquoi from the bottom of my heart for placing their trust in me and electing me as their representative. Brome—Missisquoi is a lovely riding in Quebec's Eastern Townships. It has both an urban and a rural mix and tourism, farming and industry are the dominant areas of activity.

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The Minister of Human Resources Development and Minister of Western Economic Diversification has informed us that he intends to hold broad public consultations on social program reform. The government has given itself two years to review social programs and make changes in a manner which, as it promised repeatedly during the election campaign, takes into account the concerns of the people.

(1600)

Many Quebecers and Canadians are afraid of what the government has in mind for social programs. They are afraid that the government, under the pretext of getting public finances in order, will slash the only social safety net they have.

The upcoming social program review scares many disadvantaged people and those who are suffering because of the sluggish economic recovery. It scares unemployed persons, welfare recipients, low and middle income families, senior citizens and, of course, disabled persons.

All of these people are currently facing a great deal of uncertainty as to the availability of quality occupational training to help them integrate the labour force and gain access to the health care and social services they desperately need.

According to the *Office des personnes handicapées du Québec*, in 1986, there were ten times as many disabled persons living in a residential setting as there were disabled persons in an institutional setting. More than one third of the population over the age of 75 is considered disabled and overall, there are more women than men who are disabled.

The challenge facing the government is, therefore, complex. On one hand, all Quebecers and Canadians want the government to tackle the employment problem. Citizens who want to use their skills and experience to make a contribution to society find nothing noble about unemployment and welfare. Finding work is a priority for disabled persons, particularly for those not confined to an institution because of their disability.

Disabled persons often encounter obstacles such as discriminatory hiring and promotion practices. Yet, many disabled persons are highly qualified and functional. Why not call upon these individuals who want to participate in the economic development and modernization of Quebec and Canada.

Disabled persons also face problems in other areas such as training, transportation, communications and housing, areas in which most Canadians take fairness for granted.

Most of these areas come under provincial jurisdiction and we believe that the federal government has no business interfering any more than it now does in such matters. We think that the money allocated by the federal government to these programs

for the handicapped must be transferred to the provinces, which are a lot closer to the needs of their population.

We think there is an increasingly urgent need for Quebec to create institutions that unite us, based on our needs and not on standards imposed by the rest of Canada that do not always take into account our economic, cultural and social situation. The duplication and overlap problem is costly and so complex that the average person is easily lost. The competition among governments on service quantity but not quality has resulted in waste, the rule being that the federal government takes up as much room as possible without regard for costs.

Cuts in transfer payments to the provinces for health care may translate into budget cuts in home-care and rehabilitation centers.

(1605)

Quebec and the other provinces will be forced to slash their health care services. The government must not be allowed to make the provinces bear the burden of its deficit and shoulder the blame for these cuts.

The lack of funds in the health care system affects not only the availability of occupational therapy and physiotherapy services but also the home support program for people with disabilities.

Are we to think that cuts to social programs will lead to a reduction in efforts to make public buildings accessible to people using wheelchairs since, as the humorist Jean-Marc Parent was saying, there are always doors that open on the wrong side and 90 degree access ramps?

Despite their significant presence in our society, there is still too little research on the social integration of people with handicaps or functional disabilities. While we are scraping the bottom of the barrel to offer concrete and direct services to the population, can we afford to have two of everything? In 1993-94, the overall administration of federal and provincial health and welfare programs accounts for over \$150 million and more than 1,500 full-time jobs.

Can we afford to duplicate initiatives aimed at target groups with occasionally conflicting priorities? These are areas of exclusive provincial jurisdiction and the federal government is merely trying to raise its political profile.

In 1991, only \$46 million was spent on programs for the handicapped over five years or a little over \$9 million a year. According to Statistics Canada, between 12 and 13 per cent of Canadians have various disabilities; it may be a mobility impairment, a vision, hearing or speech problem, an intellectual deficiency or a mental illness. As the figures clearly show, the time and energy spent on duplicating programs for the handicapped are not only costing us a lot of money but also lowering

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the quality of services offered to these people. This is further evidence that Quebec's sovereignty is the only valid solution to this administrative nightmare.

[*English*]

Mr. Pat O'Brien (London—Middlesex): Sir, may I offer my congratulations on your attaining the position of Deputy Speaker.

The minister's initiative in the area of social services is certainly much overdue and much needed in this country and gives us all cause as Canadians for serious reflection about what really is the role of government, or what ought to be the role of government in our society as we move toward the 21st century.

A conservative would have us believe that government should do very little, that really everything should be left to the marketplace, that just like business and the market take care of everything and those who earn, wealth will trickle down to those who do not have such wealth and that everything will be wonderful in our society; so-called Reaganomics, if you will, or the path followed by Margaret Thatcher and by the previous government in this House.

It is quite obvious that such an approach to government in society has been a miserable failure. Never has the gap between those at the top, those who have, and those at the bottom widened more significantly in such a few short years as it did in the 1980s in North America and in Britain and other parts of the world.

(1610)

It is quite obvious that the conservative philosophy is quite bankrupt as we move toward the end of this century and the start of a new era.

On the other hand, we have the socialist philosophy that government should do everything for us. It should take care of us from the cradle to the grave. There is very little that the citizen should have to do. Let government do it all. That has been tried in different parts of the world with very limited successes, producing such an incredible tax burden on countries that they have had to totally rethink the way their society is structured. It has produced a paternalistic society in which all too often the initiative of the individual is stifled almost completely to the point at which they simply feel that they are a ward of the state.

Between these two extremes of the far right and the far left you have what I feel, and history has proven it to be the sensible position, is the position of a liberal; a far more balanced position, founded on the ideas of some of the greatest thinkers of political science in history.

A liberal view espouses the fact that there is a social contract or that there ought to be in a society a social contract between

the citizen and the state, that the state is there and gains power through the actions of the citizenry in giving that power temporarily to the state. The duty of government is to assist the citizen to realize his or her full potentials, then to work in partnership with the private sector and to let that citizen and the private sector work together for job employment, job creation and so on. To a large extent it is the private sector which will help to foster employment in a society.

A liberal rejects the notion that there is no role for government to play whatsoever. That is simply not a view that I can find acceptable. The lessons of history are that there must be a role for government.

In this debate about the reform of social security let me quote perhaps one of the best expressions of the role of government that I have come across in my life time. It comes from Hubert H. Humphrey, a former vice-president of the United States. There are some lessons we can learn from our American friends. Perhaps there are many they can learn from us as well.

Mr. Humphrey said the moral test of government is how it treats those who are in the dawn of life, the children; those who are in twilight of life, the aged; and those who are in the shadows of life, the sick, the needy and the handicapped".

Surely that is the kind of test we want to put before any government as Canadians. That is the kind of test that this current government is quite prepared to stand up and meet in its mandate over the next four or five years. The minister's initiative in this reform of social security is a very clear testament to that.

On this side of the House and in Canada in general there are those who say the Liberal Party should refrain from using the word reform since it is the label of one of the current parties in the House. I categorically reject that. The real reformers in this House are those members on this side who are true to their liberal principles. That is who the real reformers are.

I will never stop using the word reform because it is a word which history has shown to be a liberal word. The liberals on this side of the House are proud to be members of the Liberal Party and we intend to continue to have our voices heard within in our own caucus, within this House and within this country to make sure that our views are put forward with the views of Canadians all across this country who share the fact that there must be a role for government to play.

What are the areas of reform that need to be examined in our current look at these particular problems? The unemployment crisis we face, if not the most serious situation, is right near the top of the list. Never have so many suffered so much in such a few short years in terms of job loss. Not since the days of the great depression. We simply must attack that and do everything we can as a government and as a nation to get Canadians working again.

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(1615)

The best kind of social reform we could come up with is a program of job creation. It was quite clear in the election campaign which party was the only one prepared to speak consistently, day in and day out, about jobs for Canadians. On October 25 we saw reflected the result that Canadians understood who was prepared to address the real concern, the unemployment crisis.

In terms of attitude in society, unfortunately we have drifted into a situation where there are far too many Canadians who seem to be accepting unemployment insurance and welfare as a way of life. I like to believe and I do believe they are a minority. Frankly I know, coming from a municipal councillor background, that some people are prepared to accept it as a way of life for themselves. We cannot allow that attitude to continue.

That is not to condemn the unemployed. Far from it. I would be the last to do that. In fact I submit that most unemployed Canadians truly want to work, but we need an attitudinal shift which has to be led by the government. We must insist that people who are willing and able to do work but unable to find work are given some gainful employment, some meaningful role to play. We will help them over the short-term crises they face until they are able to find full-time employment on their own.

Whether that will evolve into some kind of guaranteed annual income or some system of workfare I am not sure, but I know very clearly from my experience that we cannot encourage and let continue the attitude that one can just stay at home and be supported by the taxpayer. That has to be discouraged in the very small minority of people who unfortunately have that attitude.

I would like to say a word about the co-ordination of social programs. As I mentioned my own previous experience was at the municipal level. It is all too clear to those of us who come from a background in municipal government that there has been a consistent downloading of responsibility from the federal government to the provincial government and then down to the municipalities that have nowhere to pass it on to except to local property ratepayers. It is simply wrong and unconscionable that should go on.

Quite frankly the redistribution of income should be handled by the senior levels of government, by the federal and provincial governments. That is a far more just situation for the clients of the system, for the people who need assistance. It is far fairer for them and it is far more just to local taxpayers in any given municipality.

I come from London, Ontario, and represent the riding of London—Middlesex. We have seen examples of where people have come to our city from other parts of Ontario and have unfairly created a significant problem in the welfare budget of

that municipality. That very important program must be funded from federal and provincial budgets.

Yes, there is only one Canadian taxpayer. We know that, but it is not a responsibility that should fall upon the shoulders of municipalities. The Canadian Federation of Municipalities has been saying that for years. I am confident that Minister of Human Resources Development and the Minister of Finance will hear that message and take steps to redress the lack of co-ordination and of proper funding of the programs.

The area of child care was a subject referred to earlier by a Reform Party MP. There is nothing more important to fund than child care. There are people who need subsidized care. We must give that care to the children of the working poor. If we do not we see far too clearly the horrendous social problems that result. We simply delay paying the piper and create a number of problems.

With those thoughts, I am very confident as a member of the new government that we are on the right track. Real reform will take place, led by the real reform party in the House, and that is the Liberal Party.

(1620)

Mrs. Jan Brown (Calgary Southeast): Mr. Speaker, I welcome the member's comments.

The hon. member expressed his views. He explained for me exactly why we are here in this House to debate. The member for Vancouver Centre questioned why we were here to debate. She said: "What we are doing really is not having consultations together". She indicated that we were pre-empting the decision. I would have to say that the hon. member who just spoke did exactly that.

I have to go back to the member's text. I do not know if he actually had this written down or if he was ad libbing. He did say that we want to help them over the short term and then we are not quite sure where they are going to go from there. He was speaking about the unemployed.

"What will this eventually mean", the hon. member asked. I would like the hon. member to clarify exactly what was meant by that statement. Having used the example of an annual guaranteed income was of some interest to me. I would like some clarification on that point.

Mr. O'Brien: Mr. Speaker, I had some speaking notes and I would like to correct the hon. member.

I was trying to make the point that social assistance should be short-term help, whether it is in the form of welfare or unemployment insurance. It ought to be in its best application short-term help.

I did not indicate in any way where do they go from there. Hopefully people on this short-term help will find with the assistance of government and the private sector gainful and decent employment.

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If they do not, as they have not been unfortunately, the short-term help has had to become long-term help, hence the problem we find ourselves in.

Mr. Gar Knutson (Elgin—Norfolk): Mr. Speaker, it is with great pride that I rise for the first occasion in the House of Commons.

As is the tradition with maiden speeches I would like to take a moment to thank my supporters who elected me on October 25. More particularly I would like to thank my campaign workers who spent many hours on my campaign. I would especially like to thank my wife for her patience, encouragement and the many sacrifices she has made in support of my campaign and my new career. Last, I would like to thank my parents for their support, guidance and encouragement over the last 37 years.

The riding of Elgin—Norfolk sits on the north shore of Lake Erie and runs approximately 100 miles east to west. It begins in a small town called St. Williams in Norfolk township and runs through to Rodney in Aldboro township.

The riding is the birthplace of many great contributors to both Canada and the world including Mitch Hepburn the former premier of Ontario. As well, the inventor Thomas Edison was born in Elgin—Norfolk. The renowned Liberal economist John Kenneth Galbraith comes from just outside St. Thomas in a small town called Dutton. Last, the great Canadian, the leader of the New Democratic Party and member for Yukon also was born in Elgin—Norfolk.

Elgin county has a long agricultural tradition. It has many farms ranging from dairy farms through cattle farms, cash crops, chicken farms as well as many others.

It is also the home of an important manufacturing sector, particularly in auto related manufacturing and auto parts. The main population centre, the city of St. Thomas, is the home for the Ford Motor Company and Freightliner Truck Manufacturing.

The people of the riding of Elgin—Norfolk wait with great anticipation for the performance of the 35th Parliament of Canada. My riding has suffered a tremendous job loss through the last five years. Factory after factory has closed permanently, all in the name of global restructuring. These people are anxious to see policy changes which will increase their job security and provide hope for their future, for their community and for their children.

(1625)

The initiatives of this Parliament must speak to the needs of the people of Elgin—Norfolk as it must speak to the real needs of all members in Canadian society. Canadians, regardless of where they live, expect that job opportunities will be created out

of economic growth and fairness in the tax system and expenditure policies of this new government.

I would like to speak for a moment about first principles. The principles of a good income support program or labour force adjustment system should include a fundamental commitment to the principles of social justice and a preferential option for those most in need. Furthermore all of our programs, including social spending, should facilitate a stable and growing economy.

The contribution that social spending makes to economic growth has often times been overlooked in economic debates. However a full discussion at this point would take me beyond my 10 minutes so I leave it for another day.

More fundamental than the principles of any government program are the principles of government. Mr. Vaclav Havel, in his first book as president of the Czech and Slovak republic, stated: "I am convinced that we will never build a democratic state based on rule of law if we do not at the same time build a state that is—regardless of how unscientific this may sound to the ears of the political scientists—humane, moral, intellectual, spiritual and cultural. The best laws and the best conceived democratic mechanisms will not in themselves guarantee legality or freedom or human rights—anything, in short for which they are intended—if they are not underpinned by certain human and social values".

My challenge for the Minister of Human Resources Development and all members of this House is that we craft programs which are both humane and moral.

Many members on both sides of the House, from all three parties, have spoken about the pressing social issues in their communities, be it the unemployed, the hungry, day care or violence in the home. I would like to add my voice to theirs and press the government to find solutions to the problems of economic hardship throughout our nation. More specifically I would like to ask the government to attack vigorously the issue of poverty, including the plight of the working poor.

Too many Canadians, many of whom are working, are experiencing long term and real financial and emotional difficulties because they have fallen below the poverty line. Our labour force adjustment strategy must ensure meaningful, well paid jobs for Canadians not part-time subsistence work that has too often been the case in the past.

Recently Dr. Shaw, a professor at the University of Toronto Medical School, estimated that health costs due to unemployment were over \$1 billion a year. To all the members here, I suggest that if we measure the health costs due to poverty it would far exceed \$1 billion. Our programs need to deal with the issue of poverty head on, both for those who are working and those who are not working.

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In the few moments remaining, let me move from the general to the more specific. Ultimately our ability to generate wealth is a function of our knowledge. We live in a knowledge based economy. The degree to which wealth is shared in this country is a function of our moral commitment to take care of each other and that means, in this day and age, ensuring that every Canadian has access to meaningful education and meaningful training so as to gain the knowledge to become a contributing member of society through a job.

More specifically our review of UI needs to review the training programs included therein. Too many of our training programs are merely effective band-aids that do not offer long-term realistic hope. The national training act needs to be revamped. Provinces need to participate in an honest dialogue so that the bogus distinction between education and training disappears.

Let me close by asking all members of the House to respectfully set aside their ideological differences and work together to meet demands for a fairer Canada and a more just Canada and end the scourge of poverty on our land.

Mr. Ray Speaker (Lethbridge): Mr. Speaker, I want to thank you very much for giving me the opportunity to enter into this debate.

First of all I would like to congratulate the member for Elgin—Norfolk. I can sympathize with him in making his first speech in the humble assembly that is here. I can recall my first week in the Alberta legislature. I was asked to move the speech from the throne at the young age of 27. I remember a number of people in the government of that time who had been there for 27 years and had most likely heard 101 different speeches and I had to say something different to them. I remember that being a very humbling experience. I am sure the member felt that way today but respects this institution very much.

(1630)

I would caution the hon. member that one of the diseases that often sets in after you have had the opportunity of being in this assembly is that the 10 minute speech early in your career seems to enlarge and enlarge until it becomes the 40-minute speech. So be careful of that disease as you go forward in your career. I wish you all the best and congratulations on your first speech in this assembly. Very well done.

The Speaker: I am sure the hon. member will always want to speak through the Chair.

I am a little bit puzzled. Is the hon. member responding to the speech or is he making his speech now?

Mr. Speaker (Lethbridge): Perhaps I could start my own speech if it is appropriate or if Mr. Speaker permits I could ask a question of the hon. member.

The Speaker: I was sort of looking forward to that expansion of the speech that took 27 years. If he has a short question I would like the hon. member to have a chance to answer.

Mr. Speaker (Lethbridge): I wish to ask the hon. member how he sees the study that is going to take place with regard to human resource development. Does the hon. member see the targeting of programs for those who are need or does he see it in terms of the philosophy of the government approaching the responsibility of human resource development, social services and other related programs on a broader budget basis?

Mr. Knutson: Mr. Speaker, I thank the questioner for those kind comments. I have no difficulty with the concept of targeting those most in need. It is fundamental to what we need to do as a country.

Over the last five years our expenditures on unemployment insurance have grown from approximately \$11 billion to \$20 billion. In large part that is due to the problems in the economy and the major downturn or economic depression we have been through.

Given that we spend so much money in this country we need to always for the sake of the poor and for the sake of those most in need make sure that money is always well spent.

We need to look specifically at training programs that quite often do not do the job. When our programs do not do the job as they are supposed to, it is the disadvantaged people that are most hurt, I have no problems with targeting those most in need.

Mr. Ray Speaker (Lethbridge): I appreciate very much the courtesy to me and the hon. member as well, Mr. Speaker.

I would like to indicate I appreciate very much that the government has allowed us as members to have input into the reforms of the social security system and to make comments.

The minister has requested that all Canadians throw off the old ideas, put aside vested interests and give some new impetus and some new objective to our social security programs. That is a very honourable objective of the minister.

Many other ministers and many other governments in the past have also set the very same objectives. It seems to be a pattern. When a new government comes to a legislative assembly or the House of Commons the first thing it wants to do is review what has happened and start anew. I certainly hope when we do this review, we maintain some of the good programs and some of the assistance, the safety nets that have worked well across this nation.

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(1635)

Many Canadians in health departments and in social services, social development and welfare departments have worked hard to try and hone the current system this nation has. Over the years I have had the opportunity of being involved in a number of those reviews and studies.

The point that I want to make in my few moments here today is with regard to what I see as the objectives of the Reform Party of Canada and how we want to place ourselves in this review and reform that will happen.

I say to the hon. member for London—Middlesex who was talking a little earlier about having an inside track on reform, I hope we approach the reform of the social service system on a broader basis so that all Canadians and all sides of this House of Commons have input into the new changes which will come about during the first or second term of the 35th Parliament. Not just the government, not just the Liberal Party, not in a partisan way but on a broader basis.

As the Reform Party we must do two things. First of all, we have a basic philosophic approach to social programs and those programs meeting the needs of Canadians. I am sure all of us have heard that in this assembly. We believe we should help those in need, that no Canadian should suffer from a lack of food, clothing, shelter and health care, that those basic four requirements should be available to every Canadian. We believe it should be there.

However we also say that because of the current circumstances where we are some \$500 billion in accumulated debt, that the current track of the Liberal government as is set out in its program whereby the object is to bring the deficit down to 3 per cent of the GDP, even reaching that target we well recognize that in the first year, if we reach that target in 1994–95, there will still be a \$25 billion deficit to accumulate on the debt. If we looked just at that figure over the next four years we would add another \$100 billion to the \$500 billion.

What does that do in terms of the tax dollar? Right now, 32 cents out of every tax dollar goes to pay interest costs. If we continue to build up the accumulated debt, as some economists and some of those who have researched this very well have indicated, if we continue on that type of a spending pattern, by the end of the century we will end up paying 50 cents of every one of our revenue dollars toward interest costs. The question then is: How much does that leave to meet those basic needs we think are so important, the food, the clothing, the shelter and health care for Canadians?

We cannot run the country on 50-cent dollars. It is impossible to do that kind of thing. We have to come to grips with it.

With respect to the upcoming budget, in the informal discussions that are going on not just in this assembly but in discussions in other committees and in talking informally with government members and those who are trying to examine the budget deficit that is coming up, the forecast is that we most likely will have a deficit in the 1994–95 budget of \$38 billion to \$39 billion. So we can imagine how that is going to erode and eat away our capability as legislators to meet our social objectives. That has to be part of the discussion when we look at reform.

It will not be the ideal that we come up with. We have to work within the financial constraints we are facing. Certainly I would recommend to the government in this reform that we must then look at the definition of those in need.

There are a couple of examples. During our campaign period we talked about those on old age assistance. At the present time some \$14.4 billion are allocated across this country in the current year. In the former fiscal year it was about the same amount of money. Those dollars, \$14.4 billion, are allocated to those persons receiving old age assistance.

(1640)

What we are saying as Reformers is an example of targeting of programs. Those seniors getting a family income of \$54,000 or more—we feel that is adequate for the senior to live on—if we were able to on a graduated basis maybe to \$70,000 of income, reduce their old age assistance using a formula we could take out of expenditure in that old age assistance program some \$3.4 billion. That amount could go toward reducing the deficit. Rather than a \$38 billion or \$39 billion deficit that adjustment in program may bring it down to \$35 billion or \$36 billion. That is the kind of thing we have to do.

We have to look at the whole health care program. I know the question of user fees is tossed around by the various provinces. I come from the province of Alberta which is seriously looking at user fees. I know the government has said it will not do that but it is not because it wants to punish someone or take something away, but there is a capability during these difficult economic times for people to be able to pay for part of the service.

It is also believed there may be a deterrent in that those who really do not need the health care service will not visit the doctor as often as they are presently doing. We have to look at the case of user fees as well in this review and this reform.

I could use other examples with regard to targeting of programs. Under the circumstances I believe those terms of reference must be considered in this reform. This is not a period where we have a lot of money, where we can say to Canadians that everybody is going to have a share of the government pie or the revenue. We are not at that period of time in our history as legislators and we have to recognize that. We have a major

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responsibility in this assembly to come to grips with targeting social programs and to be very fiscally accountable.

In my last few moments I would like to refer to a report that was done in Alberta in 1967. This report is a white paper on human resource development. It was written by the Hon. Ernest Manning at a time when I was in his cabinet as the Minister of Public Welfare. A major author of this was also his son, now the leader of the Reform Party.

We put this white paper together and I am not referencing it just for the sake of bringing this document here. There are some basic principles in this paper that looked at human resource development. It was the first document put together in Canada on human resource development. We in the province of Alberta introduced that concept. Following that period of time there were other provinces and also the federal government of the day that accepted some of the basic philosophy of the human resource concept.

There were three basic objectives. One was to look at programs of maintenance. There is a group of people in Canada that needs assistance and maintenance. The second one was rehabilitation and the third was preventative programs.

We had leading programs in the area of prevention in Canada and I would like to recommend that to the committee for study.

Mr. Reg Alcock (Winnipeg South): Mr. Speaker, I thank the hon. member for Lethbridge for his remarks. I am pleased to note that his book is also red and I could reference another red book that may expand on some of the points they raised so long ago.

I have a curiosity about part of what he presents.

(1645)

On the one hand his party has spoken strongly against any expansion of taxes, any increase in taxes or anything to do with causing people to pay more. Yet on the other hand his party is quite willing to support user fees which by definition will cause people to pay more for services they receive. I wonder if he can reconcile this contradiction for me.

Mr. Speaker (Lethbridge): That is an excellent question from the hon. member. We look at it this way. If we are able to reduce the cost of government, people will have more money in their pockets to pay for some of their services.

There is a direct relationship between the reduction of the cost of government and being able to pay for some of one's own needs. In the four areas I mentioned, in terms of food, clothing, shelter and health care, we would look at the individual having more of a direct relationship between using the service and paying for the service.

Mr. Pat O'Brien (London—Middlesex): Mr. Speaker, since my hon. friend made reference to my earlier comments I hoped I would have the opportunity to ask him a question. I appreciate that.

I made my point that to reform is to improve a situation. It is to find a better way. Frankly that is the liberal way, and the party that has consistently done that most effectively in this country is the Liberal Party on this side.

Can the hon. member tell us how the destruction of the national health care standards, which is the result of those policies put forward by his party, would improve the situation for Canadians in need? Can he go on and explain to us those specific improvements in the social security system that the Reform Party stands for?

The hon. member uses the phrase "target social programs" and that is the difference. We want to target social problems. Can the hon. member enlighten us on those points?

Mr. Speaker (Lethbridge): In terms of the first question, if that reform means improving things and doing better we certainly agree with that.

In terms of our targeting social programs and the hon. member said social problems, I think we are using semantics more than anything. I believe what the hon. member is saying is that individuals out there are in need and that is who we would target. We would have to categorize for example those that we feel need incentive and encouragement to go back to work, look after themselves as our economy picks up. We should have that kind of flavour in our society. Our Prime Minister said the other day that he wanted to get rid of dependency. We agree with that.

The Deputy Speaker: 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 Haldimand—Norfolk—Dairy industry; the hon. member for Scarborough—Rouge River—Rouge River valley; the hon. member for Beaches—Woodbine—Immigration; the hon. member of Rimouski—Témiscouata—Policy on appointments; and the hon. member for Richmond—Wolfe—Unemployment insurance.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am pleased to take a few moments this afternoon to discuss the reform of Canada's social security system.

Given your role here in this House you are of course non partisan, but you will remember clearly that, during the last election campaign, our party made a commitment to the people of Canada. Indeed, we promised to give new confidence to the majority of Canadians about having a job and a more promising

future in the years to come than they could hope for in recent years.

[*English*]

As the then Leader of the Opposition and now the Prime Minister said on the steps of Parliament Hill the day the election campaign started: We must give Canadians their smile again. We must give them that hope. We must make them feel better.

[*Translation*]

I am very much in favour of this initiative because, after all, the goal is to improve social programs. For example, the proposals put forward by our colleague the Minister of Human Resources Development are aimed at improving the social security system, so that it can better meet the expectations and needs of Canadians.

(1650)

A good number of these programs have been in place for several years and the Canadian economy has changed since they were first introduced. I remember the days when an unemployment rate of three per cent was considered equivalent to full employment. Today's figures are totally different. I also remember the days when it was perfectly normal to have one salary per household, the bread winner usually being the man in the house. It goes without saying that these standards no longer apply. The situation has evolved and we must not only adapt accordingly, we must also change our social programs.

[*English*]

I am of the view that the best social program is a job. There is nothing quite like it, as they say in the commercial. If the best social program is a job, as I submit it is, then surely all of the other programs that we have must be such that one is always better with a job than without one.

That is not the case with social programs today. How many times have colleagues in this House heard constituents tell them that they cannot afford to work, that the social program that they are on is designed in such a way that they are taking a cut by going back to work?

For a single mother with three or four children going back to work is not easy. As a matter of fact, in many cases it is, without saying impossible, very hard. I am of the view that it is high time we started thinking of such concepts as guaranteed minimum annual income in such a way that no one is punished for trying to make life better for themselves. No one is punished for finding a job. That is not the case right now. That is not the case at all.

The other part to this is the unemployment insurance programs that we have. A few years ago we got into training

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programs in a rather major way under many aspects of what is commonly referred to as UI. Some of these programs are for training but they are confusing at best.

[*Translation*]

Those of us who have referred constituents to training programs under section 26 of the Unemployment Insurance Act know that these people can, if they get benefits the day that the training begins, receive those benefits for a period which could be extended to 156 weeks. However, if these people make a claim under a program not covered by section 26 and go back to school while receiving UI benefits, they not only lose the possibility of having their benefit period extended, they also lose those benefits.

You will agree that if the objective is to provide training, programs should be structured so that people are not penalized precisely because they take a training course, as they should.

[*English*]

On the other hand we have section 14. People qualify under section 14 to take a training program sometimes identical to those under section 26. If they are taking a program and if they are offered a job they must resign forthwith from the training that they are taking to go to the job.

However, if they were approved under the other section they do not have to do it. That does not make a lot of sense to me. It seems that whatever little block was ticked off beside one's name determines how the training one will be receiving will be administered and whether one will receive benefits, extend benefits or have the benefits cut off altogether. That does not seem like a reasonable proposition to me.

(1655)

If you are on unemployment insurance and you apply to work on some of these make work projects, under section 25 of the Unemployment Insurance Act, you go back to work and you receive a form of top-up in addition to your benefits, providing you have enough benefits to cover the whole period of the project you are going to work on.

In other words, if you have nine weeks of coverage left and you are starting to work on a project that will last ten weeks, you cannot work nine weeks and then quit. You have to refuse to take it altogether because you must have the requisite number of weeks for the duration of the program.

Maybe this makes sense to somebody but it does not at all to me. I am having some difficulty explaining all of this to those who asked me to represent them in this Chamber.

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[Translation]

I would like to see the government take a look at the administration of its programs, so that these are better managed and, more importantly, better co-ordinated, to meet the needs of Canadians.

I will conclude by saying that I do not agree with those who claim that we are spending more and more on social programs.

I just received today a document entitled "The National Finances", published by the Canadian Tax Foundation. According to this document, social programs subsidized by the federal government represented 23.1 per cent of the tax base in 1984, compared to only 22.8 per cent in 1993-1994. We must not forget that. We must not claim that we are proportionally spending more and more all the time.

Mr. Benoît Tremblay (Rosemont): Mr. Speaker, I thank my colleague from Glengarry—Prescott—Russell for his speech. I noticed that he too had found in the present system many faults that make it absolutely absurd from the recipients' point of view. So, how do you expect the public to understand what the hon. member was talking about?

Here is my question: Is the hon. member for Glengarry—Prescott—Russell aware that he is no longer in the opposition, that he is a government member and that his government could act now rather than spend another nine months consulting?

Mr. Boudria: Mr. Speaker, if I understood correctly, the hon. member is suggesting that we should not have consulted him, as the duly elected representative of his riding, and the other duly elected members of this House, that the government should have acted in an arbitrary manner, without consulting Parliament. This may be a Bloc Québécois pattern of thinking but we, Liberals, have more respect than that for this place than the Bloc has demonstrated. I might add, regarding the member who has asked me the question in particular, that I know his own political background much better than the previous Conservative government?

Basically, what we want to do is to hear from the duly elected representatives of the people to ensure that our programs will meet the needs of Canadians. After all, that is what we were sent here for.

The Deputy Speaker: I had planned to recognize the hon. member for Jonquière next, but since his comment was of a rather personal nature, in my opinion, I will give the floor back to the hon. member for Rosemont.

Mr. Tremblay: Mr. Speaker, I just wanted to add that, were the minister and his government to decide to act immediately to remedy those faults, they would have my support and I think that all my constituents would agree with me entirely.

Mr. André Caron (Jonquière): Mr. Speaker, I want to congratulate my hon. colleague on his presentation. As a high school guidance counsellor, I was for many years in a position to meet workers who wanted to receive some occupational training and who had to wrestle with unemployment insurance rules. And I would have liked to say exactly what my hon. colleague said, that is denounce the fact that some people today are not receiving training because Canadian training policies are inadequate.

(1700)

In addition to congratulating my colleague, I would like to ask him a question. Why must all of these programs be standardized across Canada? Why could the Government of Quebec not oversee occupational training, as labour unions and management are demanding? In fact, Quebec stakeholders are unanimous in calling for all of these programs to be administered by the Quebec government. Why is this not possible at the present time?

Mr. Boudria: First of all, Mr. Speaker, it is not only the case with Unemployment Insurance. My colleague opposite should know, if he worked in that field, that welfare recipients are confronted with the same kind of problems. So, it does not happen only with federal programs. In fact, as we speak, the problems facing welfare recipients may well be worse.

Now, the member opposite is asking me: would it not be possible for certain programs to be administered by a single level of government instead of two? It is certainly not impossible, and no one said it was. As a matter of fact, if I am not mistaken, the hon. member for Hull—Aylmer and Minister of Intergovernmental Affairs stated clearly that he was planning and had in fact started negotiations along that line. So, it is far from impossible to negotiate successfully with provincial officials and it is not fair to say that the programs are the same—

The Deputy Speaker: Order, please. The time allotted for questions and comments period has run out.

[English]

Mrs. Marlene Catterall (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, it is a pleasure to have an opportunity to speak on the subject of reform of our social programs.

I have had the great privilege over many years in my community as a volunteer, as an elected representative municipally and as an elected representative federally to work with people in my community to try to resolve some of these problems and to agonize with them about the frustration of programs, rules and regulations that do not allow people to take the steps they want to take to become self-sufficient and to create a better life for themselves and their children.

As I begin speaking today, I want to pay special tribute to many of the women I have worked with over the years. I have found tremendous strength among women living in poverty trying to raise their children and trying to plan to get out of that poverty trap to create new opportunities for themselves and their children only to butt themselves up against a system that makes it hard for them to do that.

The fundamental principle of liberalism is the dignity and worth of every individual. Canadians heard the Prime Minister and Liberal candidates across the country speak on that theme time and time again. It is central to the red book and to the economic and social programs that we put forward in the red book and that we are all now intending to implement through this Parliament.

However, believing in the dignity and worth of every individual also means making sure that as a society we create the opportunities for every individual to achieve their full potential and to use that to their personal benefit, to the benefit of their family, friends, community and country. Far too much inhibits that now.

I had the privilege of attending the pre-budget consultation in Toronto last week and hearing a speech by a former deputy minister of this government, Arthur Kroeger, in which he talked about the rising benchmark of unemployment that has been set in each decade of the last half of this century, rising from approximately 4 per cent in the fifties to over 6 per cent in the sixties to plus 9 per cent in the seventies and to 10 per cent to 11 per cent in the eighties. It obviously seems stuck at that point for the moment.

(1705)

What has also happened is that the middle class has disappeared into an economic polarization of our society. Some people have moved up into higher paying, more secure, more skilled jobs, and more have moved down into less skilled, lower paying jobs and that bottom level seems to be declining.

I have also had the privilege recently of reading a publication called "The Canadian Women's Budget" which talks about how the policies of the previous government over the last five years have further exacerbated that polarization of Canadians. A family of two parents earning \$20,000 a year, a pretty low income we would all agree with two children, is now paying more than three times the taxes it did. A middle income family is paying 15 per cent more and the wealthiest Canadians are paying less than 4 per cent more.

As I look at the need to be frugal, to make the best use of the fiscal resources we have, to move toward a balanced budget, I also want to move toward balance in the budget and who is

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benefiting from the kinds of programs we have and who is being left on the sidelines in an increasingly harsh world.

The poverty of children in our society is one of those things that perpetuates a poorer and poorer society and fewer and fewer opportunities for people to develop their talents, their abilities and their skills and make the contribution they want to make and are capable of making.

We know that children growing up in poverty are more likely to drop out of school, more likely to be illiterate, more likely to get sick, more likely to commit suicide. Poverty is a fundamental issue that we as a society are not addressing.

I mentioned that I have dealt with poor women, single parents, trying to raise their children, trying to create a better opportunity for themselves. There is no scheme for them to gradually move from dependency to independence. They are punished if they try to. They lose benefits that are essential to the security of their children.

I am a woman who has raised three children. Most of the women I have worked with will sacrifice their own dignity for the sake of the security of their children. We have to make sure that we are not forcing them to make that choice.

We know that more women than men are poor. We have to ask ourselves how we have allocated our resources in the past as a society so that has happened, so that there is a segment of our society consistently poorer and significantly poorer than society at large. It has not happened by accident, it has happened by specific policy decisions. What is there in our social programs and in other programs of government that has allowed that to happen, and in fact that has led to it happen?

I want to talk about the need to look at special needs in our society. In the last government a project sat on the desk of the minister of employment that for \$26,000 a person would have taken people with disabilities and trained them to work in the high tech industry in which there is a desperate need for people with the skills that this particular group of unemployed would have been given. The government sat there and did not move on that project.

I have been involved with training programs. I see how desperately they are needed and wanted in communities. I talk about a restaurant that a community group actually started as a business so it could use that business and re-invest the income from that business in training. I can count in the hundreds for a very small investment of federal dollars the young men and women who have come through that program, who have established careers for themselves, who have turned their lives around completely.

I want to talk about something we learned through those kinds of programs. I hope this review goes to some of the fundamental

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causes of why young people end up uneducated or undereducated, unemployed or underemployed and unable to integrate themselves into society at large and into the work force.

(1710)

What we found in common with other similar projects across Ontario was that when we dealt with young people who met these criteria of less than grade 10 education, out of work at least six months, very little job experience to speak of, we were dealing with a large component, over 80 per cent of children who came from a history of sexual abuse.

Until we start addressing those fundamental issues of why our children leave school, why they never quite make it in society, we are not going to solve those problems.

I welcome this comprehensive review. I want to see us be more frugal with our money. I do not want to leave my three children a horrendous debt. Nor do I want to leave them a meaner, nastier society than I have enjoyed.

I welcome this reform. I hope it will do some positive things for a lot of Canadians.

Mr. Ted White (North Vancouver): Mr. Speaker, I would like to thank the hon. member for an interesting speech.

The member shows great concern for people caught in the poverty trap and that is exactly what all of us have a concern for here. I would like to ask the member a question. I wonder if the member is familiar with a program that has been running in New York state which has saved the taxpayers about \$21 million over the last few years while at the same time finding positions for people who have been on the welfare rolls for a number of years.

The project involves a private company and it is involved in training with a different perspective. Instead of trying to teach new skills, and I do not deny there are times when these new skills are needed, what it does is search for and develop the skills that are already there, however basic they are.

Then it teaches how to search for a suitable job and it helps the person go to the interview and it does the follow up and eventually when the person is placed it does the follow up to make sure the person stays in the job.

After nine months of continuous employment the private company that did the training is paid about \$5,000 for having placed the person.

As I said earlier that has saved about \$21 million for the taxpayers over the last few years.

I would like to know if the member would agree that type of program could be useful in Canada, because about 85 per cent of the people placed are still in the same job after one year. It has a very high success rate.

This seems to be a way to save tax dollars while at the same time helping people get out of that welfare rut.

Mrs. Catterall: Mr. Speaker, I do not need to go to the United States to find examples of good employment programs and good training programs with equal success rates. I find them in my own community and I find them having been started by people in the community who understand our needs, who understand the resources of their community that they can bring to bear.

There is room for a mix of public and private sector involvement as we address these issues as there is in programs in Canada and in my own community. However, I think we need to be cautious of one thing. It is very easy to have a higher success rate in one program if one is very selective about who one chooses and if one chooses only those people who are going to succeed. There are some people who are a much greater challenge whom the private sector, being interested in making the greatest possible profit in the least possible time, might not choose to work with.

For instance, I mentioned young people with a history that has lead them to have fewer opportunities. I mentioned women, many of whom were married at a very young age, who became mothers at a very young age, became single parents at a very young age when their partner left them. Those women not only need specific training, development of skills they have, development of new skills, but they need to develop a whole new level of confidence in themselves and belief that they can make a difference in their own lives.

(1715)

That does not lead to a lot of profits but it leads to a lot of opportunities.

[*Translation*]

Mr. René Canuel (Matapédia—Matane): Mr. Speaker, I have been listening to my hon. colleague. She is full of good intentions. It is true that there is a substantial wage differential between men and women. When you talk about youth issues, it also concerns me directly. Except that the hon. member said: "We want to do something, but we are not sure what". There are things you can do when you are in office.

In my riding, youth unemployment has reached 50 per cent, not 30 per cent but 50 per cent. In my riding, there are no universities. This means that we are continually experiencing a brain drain. And those who leave do not come back. You are very sensitive to that problem and you are full of good intentions, but the road to hell is paved with good intentions. So—

The Deputy Speaker: Your time is almost up. I will recognize the hon. parliamentary secretary.

Mrs. Catterall: Mr. Speaker, I am aware that some people, in some areas, are facing much more serious problems than my constituents.

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Indeed, solutions are urgently needed, but when you make profound changes, you must make sure that they are done well, that they will not only remedy the problem for a week or a month but provide a long-term solution.

I am sure that the people concerned have good ideas to suggest and that we will make a better decision if we listen to them.

Mr. Jean Landry (Lotbinière): Mr. Speaker, I would first like to thank my parents, my family, the constituents of my riding of Lotbinière and all those who have worked directly or indirectly to help me get elected. Thank you.

If I may, I would like to start my maiden speech by briefly describing the beautiful riding of Lotbinière that I am proud to represent. Flanked by the St. Lawrence River to the north, it includes more than 50 communities with a total population of 94,315.

The largest community is the recently merged city of Victoriaville–Arthabasca which is home to almost 40,000 people. Victoriaville–Arthabasca is the third most industrialized city, per capita, in Quebec with close to 200 industries. Sir Wilfrid Laurier's house overlooks the city, where the Susor–Côté family, Henri d'Arles and other famous people were born.

The riding I represent offers many tourist attractions such as the Lapierre mill in Norbertville, the Portage mill in Lotbinière, the Bergeron plant in Saint-Antoine-de-Tilly, not to mention the region's numerous covered bridges, historic homes and churches.

For a period of about ten years, the riding of Lotbinière was represented in the House of Commons by the late André Fortin. Mr. Fortin had a reputation for working tirelessly and with unsurpassed vigour to defend the interests of his constituents. I humbly hope that I can be worthy of that former member of Parliament who achieved big things in this riding. If serving the population means being a good member of Parliament, this is what I intend to do.

I rise today to urge the Liberal government to think twice before slashing social programs. Despite being optimistic by nature, I must admit that rural regions such as mine are faced with growing poverty.

(1720)

According to Statistics Canada, 4,680 men and women aged 15 and over collected unemployment insurance in 1991 in the riding of Lotbinière, and this number has not improved with the recession we have been through. Three years ago, unemployment stood at 11 per cent of a labour force of 45,800. Add those on welfare and much of the population will be affected by the measures which the government intends to take.

The reason I refer to my region is that, like other rural regions, it is in danger of suffering unduly from an ill-considered reform of social programs. We are trying to get our head above water and we fear that the Liberal government will put its hand on our head and make us sink further. The regions are already in trouble compared to the major centres. I certainly do not want to sound alarmist, but if we go by the social development report published by Quebec's Conseil des affaires sociales, we must admit that Quebec is split in two. Indeed, in the first report published in January 1989, we see an analysis of 25 regional county municipalities along the south shore of the St. Lawrence River, showing a decrease or no increase in population for 18 of them between 1981 and 1986.

Of course, the exodus of our young people to major centres has a lot to do with it. Why do young people leave their home regions? Employment is their very legitimate reason. It is a vicious circle because the higher the jobless rate in a community, the more young people tend to leave it, as we can read in the report of the Conseil des affaires sociales. For want of economic and social opportunities, our young adults move to the big cities, leaving behind an aging population which for that very reason is more dependent on the state.

There are two Quebecs, one young and prosperous, the other aging and poor. That is the situation in Quebec now, and it is no doubt the same in other provinces of Canada. Even though feelings of attachment remain strong in rural regions like Lotbinière, Charlevoix, Matapédia and Lac-Saint-Jean, the centralization of government services in cities identified as regional capitals obliges the people in the regions to travel to obtain services.

Another example, taken from the report of the Conseil des affaires sociales published in 1990, shows that technical options are not being offered in regional high schools but rather in larger centres. Therefore many fifteen-year-olds go to the city not only to study but also in the hope of finding work. For example, Statistics Canada reported that nearly 35 per cent of the population in my riding was at least 40 years old in 1991.

The Minister of Human Resource Development said this week that he wanted the reform of social programs to create hope and to end dependency, especially by creating jobs. I would love to believe the minister, but nothing in his speech tells us how those jobs will be created. Where is the hope for the people of the rural regions I just mentioned? Their hope now lies in the help they receive from social programs, imperfect as these may be. The government will pay its debt with money taken from social services, forcing the provinces to raise taxes again and putting the federal government in a good light. There is more and more discontent in the regions and I hope that the minister is aware of the situation.

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(1725)

Before concluding, I would like to quote Lise Bissonnette of *Le Devoir*, who wrote these lines in the issue of Tuesday, February 1, 1994:

—the operation also serves as a disguise to a final assault by the federal government, which has been trying since the middle of the century to appropriate provincial fields of jurisdiction enshrined in the Constitution, namely social programs, education, and now labour relations.

It is possible to modify some programs without adversely affecting the have-nots. It is possible to prosper in a regional environment, as is demonstrated by Cascades. But for that to happen, the government must act responsibly. In the past three weeks, I have been receiving phone calls from poor people in my riding. Their first question is invariably: Will the government make cuts in the social programs? I would appreciate it if, one day, the government opposite would tell us precisely and honestly what it will do and where it will make those cuts. Canadians need to be reassured. We must not wait until the poor come and voice their discontentment here, in front of Parliament. We must not wait until then. I will tell you one thing: if it comes to that, I will side with the poor.

[English]

Mr. Andy Mitchell (Parry Sound—Muskoka): Mr. Speaker, I listened with interest to the member's speech. I congratulate him on it, but I have a couple of questions and a couple of concerns.

I am not absolutely certain but I think I heard him indicate that he was relegating his riding to surviving simply on social assistance, that was to be the mainstay of his riding's economy. I cannot see that as a viable long term solution for his riding.

My riding suffers from high unemployment as well. I come from a rural area with a number of communities. Although we see the importance of social programs to help us through difficult times, we see economic development and the pursuit of rebuilding the economy and creating new jobs as being the long term solution, not simply social programs.

My second observation is that there seemed to be a great amount of concern among the needy of his riding, as he described them, as to from what level of government the assistance comes. It has been my experience when dealing with individuals who are in need of government assistance that their primary concern is that they receive the assistance. They do not much care about a battle between different levels of government getting in the way of the assistance getting to them.

I thought the member might like to comment on those two points.

[Translation]

Mr. Landry: Mr. Speaker, I am pleased to answer the hon. member opposite. In the case of social programs, I think we must bring in a reform when the economy is going strong and not when it is down. Let me also add that in the case of the unemployment insurance reform, that is Bill C-113, the government penalized 99 per cent of the population simply to catch the one per cent of abusers. In a family such as Canada, of which Quebec is a full member, you must not resort to such measures and hurt the vast majority just to get at a very small number of individuals. You make reforms when the economy is strong, not when it is in difficulty. The recession which we have been going through since the early nineties is a good illustration of my point.

(1730)

Mrs. Madeleine Dalphond-Guiral (Laval-Centre): Mr. Speaker, western society, that some see as an advanced society, maintains certain values on which is based the principle of equality among individuals. These values can be summed up as the right to health, education, work and personal respect.

These values have long been recognized as essential by Quebec society and by Canadian society. People here have agreed to assume their responsibilities by providing everyone with health, social and educational services whose quality we can only be proud of.

In his motion to the House earlier this week, the Minister of Human Resources Development considers broad consultations to modernize and restructure Canada's social security system, "with particular reference to the needs of families with children, youth and working age adults".

In his statement, the minister assures the Canadian population that, far from wanting to make our social security system less efficient, he wants to improve it. The minister could not be more explicit. We must ensure, he said, that the system continues to offer basic security to all those in need.

What worries me is that there are more and more people in need in this country. Where should we draw the line? Can we draw a line without endangering the principles of universality and accessibility?

If I may, I would like to remind the House that one out of five Quebecers lives below the poverty line; it is easier to identify the groups that are not affected than those who are.

In Canada, one child out of six is poor. If the children are poor, it means that their families are poor. They are not able to offer the living conditions essential to the development of children. It

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must be pointed out, however, that this situation is not the parents' fault but results for the most part from economic hard times and the current climate of government indifference.

Being poor means being hungry, being cold, being unable to concentrate in class, being sick more often than others; it often means having lost hope, living with violence, addictions and despair.

Some say that the government is on the brink of bankruptcy. Everyone agrees that it is imperative to reduce the deficit. However, the government has a moral obligation to ensure that the measures advocated will have no negative effects on the disadvantaged. These measures should primarily be designed to improve socioeconomic conditions for those in need. To launch a real effort to put its fiscal house in order, the government must concentrate on its operating costs and on defence spending.

It is only during an election campaign that we dare to propose miracle solutions to balance budgets with such large deficits. No one in this House is fooled, let alone the citizens of Quebec. The government must resist the temptation to cut social programs and service delivery.

(1735)

The minister of human resources tries to reassure us by saying that under the system, basic security will be extended to all those in need. However, the services that are available right now to help those wishing to escape difficult circumstances and improve their lot in life are already inadequate. The government must devise a strategy to beef up social programs and services while bearing in mind the financial ability of the provinces, and of course Quebec, to pay and scrupulously upholding the principle of program accessibility and universality.

Substantial cuts in recent years in federal transfer payments for health care have considerably increased the tax burden of the provinces and of Quebec. Public concern over possible cuts in federal social housing subsidies has left us fearful that this government is no longer seeking the path to reform, but has already found it.

The official opposition will never agree to allowing this government to get a handle on the deficit by strangling society's less fortunate members. Curbing the deficit by cutting social security is unacceptable in a society that for many decades has defined itself as just and fair, a good place to live.

Quebec has long been demanding, and with good reason, an end to overlap, duplication and federal government encroachment on provincial areas of jurisdiction, especially health care and education.

Quebecers and Canadians have long been calling for a healthier, more streamlined government machine. Eliminating the additional expenditures resulting from program overlap would

be another step forward in the process of putting our public finances in order.

The consultation process launched this week is important. The stakes are high and this government cannot afford to misdiagnose the problem and, especially, to prescribe the wrong medicine.

I am proud to be a member of the nursing profession and recently, the Association des infirmiers et des infirmières compared the cost of health care in Canada with costs in the United States, Germany, the United Kingdom, Japan and Sweden. It would appear that health care costs are higher here than anywhere else. But, is our health care system any better for it? Would our services suffer if we were to identify the reason for these cost disparities?

Nurses are in favour of maintaining the quality of health care in this country. By listening to their expertise, perhaps we can come up with ways of using all of our health care system's resources more intelligently.

Like all modern societies, Quebec want to control its growth and confront the future in a dynamic, responsible manner. The outcome of this debate must not impede the attainment of this objective.

(1740)

[English]

The Deputy Speaker: The hon. member for Peterborough on questions or comments.

Mr. Peter Adams (Peterborough): Mr. Speaker, I regret to say that I was standing here because my colleague had placed his brief case in my seat. If there is something of interest that you would like me to say, could you give me a topic and I could begin.

The Deputy Speaker: We will not see that member for a long time in the future.

Is the member for London—Middlesex standing because he wants to do some other thing or ask questions?

Some hon. members: Oh, oh.

Mr. Pat O'Brien (London—Middlesex): Mr. Speaker, I really did mean to stand. I appreciate you giving me the floor.

We have now heard the last two speakers from the Bloc praising and extolling profusely the health care system of Canada. How great it is to hear that praise.

Then I have to remind myself that this is the party whose whole raison d'être seems to be to break up this country. I have a problem reconciling that effusive praise for our social services system with what is their political goal.

That leads me to my question. There seems to be a prejudging of the consultation process that the minister of human resources seems intent on starting throughout this country which is a very necessary consultative process. Could the member explain to us

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why it is that the Bloc members seem to want to prejudge the consultation and why they do not seem to want to have the people of Quebec as part of this consultative process.

Maybe she can reconcile the irreconcilable of why they want to break up such a wonderful nation with such a great system.

[*Translation*]

The Deputy Speaker: I must remind the hon. member that she has four minutes left to conclude her speech.

Mrs. Dalphond–Guiral: Mr. Speaker, there is no doubt in my mind that I will make good use of those four minutes to answer the hon. member for London–Middlesex.

First, I thank him for taking the time to listen to me. He deserves credit for being still here at 6 p.m. on a Thursday evening.

The hon. member says he asked me two questions. Unfortunately, I believe he asked only one question because he first said that the Bloc Quebecois wants to destroy this magnificent country. His only question was: Why do we want to destroy this magnificent country since we, of course, recognize that the social security services which exist here, especially since the end of the Second World War, are services which we can be proud of.

Canada is indeed a great country, but it is so great that, somehow, Quebecers feel a little removed from it. Unfortunately, we are different; we have different values which are important to us and, like Canadians, we respect people. Indeed, Quebecers, like Canadians, truly respect the importance of people's health; the difference is that Quebec was able to innovate and break new ground in all kinds of areas. Let me give you two examples. I believe Quebec was the first province to introduce maternity benefits or childbirth grants. Quebec's way of looking at things is slightly different and this is what makes a society rich and special.

What the Bloc Quebecois wants, along with a great number of Quebecers, is to create a new state which will be able to have equal and active relations with its neighbours. I should add that we will be very happy to have Canada as our neighbour, because it is a great country which we respect, and we will also be very happy to have the United States as our neighbour.

I hope that answers the question of the hon. member for London–Middlesex.

(1745)

Hon. Douglas Young (Minister of Transport): I wanted to put a question to the hon. member. I listened to her speech; she talked about the deficit and Canada's financial problem. I simply wanted to ask her if she had discussed these issues with her colleagues since they have a certain experience with those problems which certainly existed prior to October 25.

I was wondering for example if the hon. member had talked to the member for Saint–Hubert, the members for Richelieu, Longueuil and Rosemont and most of all, the member for Lac–Saint–Jean because these people have a vast experience and were part of the government at a time when all those problems were very obvious for all Canadian taxpayers.

Mrs. Dalphond–Guiral: Mr. Speaker, as time is running short and you were in the country in those days, perhaps you could answer the hon. member's question.

Of course it is important to reduce the deficit, but we must cut where it is logical to do so. It is logical to trim the fat first and for the time being, there are still a lot of areas where we can trim some fat.

You know, in my kitchen, if I throw away some milk because it went sour, I am wasting it. Well, in this great and wealthy country of ours, I think there is still some waste. It is a collective as well as an individual responsibility and members of this House, of this government, who should serve as models, must set an example. I hope I have answered your question.

[*English*]

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister): Mr. Speaker, I join in this debate on the motion of the Minister of Human Resources Development because it is one which will deeply affect the people of my riding and deeply affect all Canadians.

Etobicoke—Lakeshore has fallen on hard times recently. Many of our industries have packed up and left town leaving empty plants and office spaces and many unemployed people in their wake.

We have people capable of providing highly technical knowledge but with little infrastructure for support. The youth in my riding are facing an ever bleak future and it seems that no matter what their training is there are no jobs for them. There are many seniors in Etobicoke—Lakeshore who are living on the edge of poverty and they are all concerned about the quality of life they will have in their remaining days.

My constituents and all Canadians are in a state of despair. They are having a hard time not only finding but keeping their jobs. Many who have jobs are underemployed or work only part time and intermittently.

During the campaign I promised and I committed according to the red book. I committed together with all the members of the Liberal Party who were campaigning at the time that we would invest in people; that we would help individuals to make better choices for themselves and for their families; and, that we would help individuals to establish new ways of participating in a social and economic structure that would make a difference for them.

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We talked about rebuilding the security system, offering employment, offering hope, creating a more productive economy through better use of human resources, their skills, their talents and their abilities. We also spoke about education reforms, about our young people and the way in which we would have to prepare our young for the future ahead of them.

This despair is felt; and this minister's commitment to a review of the system is exactly what we need to do. We want to ensure that our children are well trained and educated and we want jobs for ourselves and for our future.

We recognize the contribution of senior Canadians. They spent their lives working to make a better place to live. They contributed to the development and funding of social programs. They should be able to live in security and enjoy retirement. The Canada pension plan, old age security, and guaranteed income supplement are meant to contribute to their security. These programs are no longer working as they were meant to.

(1750)

By the year 2020 it is predicted that 20 per cent of our population will be seniors. Maybe many hon. members will be in that category. If we do not work on these programs now there will be no support for those Canadians then.

There is really one course of action. That is to involve Canadians in a full review of the system, a review that includes unemployment insurance, social assistance, training, education, looking at our young people, looking at our children and families or single and lone parent families, and all those who are presently experiencing difficulty in the system.

We must involve all Canadians in this dialogue. We must involve as many Canadians as possible because these programs affect each and every one of us from the cradle to the grave. We each have an interest, a shared concern in the system, because we are all stakeholders. This is why we have embarked on this.

The hon. members of the Official Opposition would have us believe that what we are about to do is what the Tories did: slash, burn, and cut and somehow walk away from the realities of the lives of the people we are here to serve.

The Liberal Party founded most of today's social programs. These programs were designed for a different time but they were based on the same values which we hold dear today. They were based on the beliefs that each and every Canadian has a right to live with dignity, that each and every Canadian should be able to earn his or her own living. They were based on the knowledge that we do not all have equal opportunities in life and that we should work to ensure a certain standard of living for all. That includes unemployment insurance for those encountering diffi-

culties in the workplace, social assistance for those facing poverty, and a pension plan for those in their senior years.

We want to protect those values. We want to ensure those values continue to exist in our social security system. We can only do so with a comprehensive review such as the minister has proposed.

I commend him for this ambitious plan and encourage all members of this House to work and to work steadfastly to ensure that we provide the environment and the kind of security that is needed in our country.

I extend my own support and pledge I will do everything in my capacity to ensure that the residents of Etobicoke—Lakeshore and all Canadians participate in this endeavour.

We have recommitted through the red book that this must be done to ensure that our commitment is met.

[Translation]

The Deputy Speaker: Since there are only three minutes left, I would ask the member for Bourassa to share them with the parliamentary secretary.

Mr. Osvaldo Nunez (Bourassa): Mr. Speaker, first, I would like to congratulate my hon. colleague on her election as an MP. She is from one of Canada's important minority groups, and since I too belong to one of them, I think that we should be able to work together for Canada's minorities.

The member mentioned unemployment. I believe that in Canada, minorities are particularly affected by unemployment and the economic crisis. I would like to hear her views on equal access programs such as job access and affirmative action for minorities. I hope the government will make more room for minorities in the federal public service where they are under-represented.

(1755)

[English]

Ms. Augustine: Mr. Speaker, I thank the hon. member for his question and for the opportunity to share some of his experiences that we have in common.

I do care about equity issues. I think we are on the road to equity. If we look around the Chamber we can see that there are opportunities for us to work in a fashion that would reflect the nature of Canadian society.

Canadian society is not just English and French, or people from Quebec and people from the rest of Canada. We are multicultural and multiracial. We must be in every place in society. We must aspire to be the best Canadians that we can be and every opportunity must be given to individuals. It is a waste of talent and ability when every individual is not given the opportunity to reach their full potential.

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That is why I am here. That is why the hon. member is here. We are all here to work in the interests of Canadians to make sure we have a society that is equitable, that is working, a society where each and every individual is a person of dignity, of worth and able to participate fully in Canadian society.

[*Translation*]

The Deputy Speaker: It being 5.55 p.m., pursuant to order made Wednesday, February 2, 1994, it is my duty to interrupt the proceedings and put forthwith all questions necessary to dispose of the motion in relation to Government Order No. 4, now before the House.

Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Deputy Speaker: Pursuant to order made Wednesday, February 2, 1994, the recorded division stands deferred until Tuesday, February 8, 1994, at six o'clock.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

DAIRY INDUSTRY

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I rise this evening under Standing Order 37(3) to discuss a question I had in question period the first day of this session.

I know when I was on the other side of the House not too many members on this side of the House got up under this standing order.

However, I thought it might give me an opportunity to discuss a serious situation in my riding and in ridings across this country

regarding Canada's position as it came out of the GATT negotiations regarding ice cream and yogurt. At that time I asked the minister what he was doing and how the negotiations were going with the Americans.

There is a lot of concern out there that over the past few years the government has not stood up for the rights of Canadian farmers when negotiating with the Americans on these issues.

In fact there are many in my riding of Haldimand—Norfolk who feel that the government has failed in any attempt over the past few years to put a strong argument forward on behalf of Canadian farmers.

I ask the minister if he would not stand up to the Americans and tell them we are not prepared to cave in to their position on ice cream and yogurt which was essentially to lower those tariffs to zero immediately.

(1800)

The minister may not be aware of a legal decision that has come forward to us from the dairy farmers of Canada that in fact supports the Canadian position that we can put a tariff on ice cream and yogurt. I know the minister will be very pleased to hear this. In fact Richard Doyle of the Dairy Farmers of Canada says in a letter:

The drafters of the NAFTA text clearly recognized that GATT rights and obligations would not be static, but grow and change with the agreements negotiated under the GATT. In light of the extensive references to developments and future agreements under GATT, it appears unlikely that a successful argument could be made against Canada's decision to reduce tariff levels according to its GATT rights and obligations. In reviewing the legal opinion, valid arguments have been identified to support the position that your government took during the GATT negotiations.

I have here a legal opinion by the American law firm, Cameron and Hornbostel. I am sure the hon. minister does not have this legal opinion yet because it was just sent out. It is dated February 1.

I am sure when he receives it he will look at it and make it very clear to the Americans that unless we can negotiate a deal we do intend to keep these tariffs on ice cream and yogurt. In fact, we will fight as hard as we can to make sure that we have a continued supply management system in this country and a viable agriculture sector.

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food): Mr. Speaker, it is a pleasure to reply to my colleague's comments. I commend him for the interest that he has shown and continues to show on this issue.

There are a number of outstanding agri-food trade issues that are being discussed and are problems between Canada and the United States at the present time. The Minister of Agriculture attempted to resolve these while he was in Geneva but the Americans did not see fit to take part in those discussions at that time and unfortunately we were not able to get a bilateral agreement.

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Of course, the issues did not go away. The problems did not go away. Canada is still seeking a resolution to these issues in a way that meets Canadian needs. There have been ongoing bilateral negotiations over the past several weeks. The minister met with his U.S. counterpart in Toronto on January 8. Those discussions are not yet concluded and continue to go on at this time.

I would like to state clearly that the government is working to defend the interests of Canadian agriculture in these negotiations. All sectors of agriculture and the agri-food industry in all parts of Canada are being considered and taken into account.

Everyone who is familiar with the Canadian industry has known for some time that the trade regime for ice cream and yogurt was going to be a difficult issue in the conclusion of the Uruguay round. A GATT panel ruled in 1989 that Canada's import quotas on ice cream and yogurt were not consistent with article XI. Canada accepted the findings and agreed to bring its measures into conformity with GATT. In light of that multinational trade union result, the government is continuing to seek resolve of that situation.

The government remains committed to ensuring that our supply management systems can continue.

With the support of the provincial ministers of agriculture, the federal minister has asked me to lead a small task force to consult with all stakeholders to talk about and discuss what changes may be necessary and what mechanisms will be required so that we can continue to have orderly marketing for the supply managed commodities into the future for the benefit of all Canadians.

ROUGE RIVER VALLEY

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I rise to take up an issue that was raised in Question Period just a few days ago which related to a large piece of my riding of Scarborough—Rouge River. That is the lands that comprise the Rouge River Valley.

What I collectively refer to as the Rouge Valley lands comprise approximately 10,000 acres in what is now an urban environment. The 10,000 acres, give or take a few, basically include the two river valleys that comprise the two Rouge River tributaries. These lands have somehow managed to survive intact as an integral ecological unit with their evolved flora and fauna.

(1805)

In recognition of that fact we have to pay tribute to those who over the last 15 or 20 years realized this and made it known before it was too late in the face of the development of these lands. Now the Rouge Valley lands have received a commitment from provincial, federal and municipal governments to preserve them in an ecological park of the sort that is still being negotiated and managed.

To give an example for the record, the Rouge Valley River still has 55 species of fish. It is home to 200 species of birds, 28 species of mammals and 700 species of plants, forest and vegetation. That is in an urban area of Toronto. As hard as it is to believe, we must be thankful for it and make a commitment to it.

My question involved the seeking of a commitment from federal, provincial and municipal governments and that whole community that comprises eastern metro. We are looking for a commitment from this government to complete a promise of funding of \$10 million given in 1987. Part of this commitment has already been used for the acquisition of an aboriginal burial site at the edge of park boundary. There was also a commitment of federal expertise in managing park lands or ecological habitats.

Some believe the park could be jointly developed and managed by the provincial and federal governments. Others believe the park should be managed by an entity developed specifically for that purposes and others who think the municipal government should also have a role.

I am seeking a further commitment from the federal government and I am very hopeful along with all the people I represent and all the people in the southern Ontario community who care very much about this priceless asset. We hope the federal government will commit to further involvement in the project.

Ms. Albina Guarnieri (Parliamentary Secretary to Minister of Canadian Heritage): Mr. Speaker, I thank the member for Scarborough for his question on the Rouge River Valley.

As the Minister of Canadian Heritage has already indicated to the House, this government remains committed to the creation of the Rouge River Valley Park. In fact this 11,400 acre preserve is North America's largest urban park. Its creation is an excellent example of co-operation among the federal and Ontario governments as well as private organizations in meeting federal government environmental objectives.

[*Translation*]

Mr. Speaker, from the very beginning, the federal government has been in favour of the Rouge River Valley Park. In 1988, the Minister of the Environment of the time announced that the Canadian government would invest \$10 million for the conservation of the valley.

[*English*]

In fact, the federal government contributed \$1.5 million of the \$2.6 million purchase price for the culturally significant Bead Hill National Historic Site in Scarborough within the Rouge River Park. This is the only intact 17th century Seneca village and burial ground known in Canada.

[*Translation*]

As my friend from Scarborough—Rouge River knows, Bead Hill is an example of an important aspect of native history which is under-represented in the Canadian network of national historic sites.

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(1810)

[English]

The federal government's commitment to the Rouge River Valley Park remains firm. Upon establishment of a park management agency by the Ontario government, we would be pleased to consider funding further projects for park development within our commitment.

I would like to thank my friend from Scarborough—Rouge River for displaying his continuing interest in Rouge River Valley Park. It is a very important element in the lives of his constituents as well as all Canadians. He should be congratulated for bringing their concerns to the forefront of discussion in the House.

IMMIGRATION

Ms. Maria Minna (Beaches—Woodbine): Mr. Speaker, I am rising to discuss further the question I asked in the House the other day that dealt with the funding levels for settlement programs for immigrants.

As I mentioned during question period, 59 per cent of the 250,000 immigrants who settle in Canada settle in Ontario but only 39 per cent of the federal immigration settlement program funds go to language training for Ontario. As I mentioned, the budgets of the school boards in Ontario are being cut constantly by the provinces which is resulting in language training programs being cut.

I want to expand a little on why this issue is important and what it means to the future of all people in Ontario. We talk a great deal about the future of this country, stating that higher education is extremely important in order for the young people to be able to build careers, especially in the new knowledge based industries.

If the immigrant children who come to this country are not able to learn the language where they reside, whether it is English in Ontario or French in Quebec, they do not have the basis on which to build an education and a career, thereby being relegated to dead end jobs and being denied, in essence, a proper education.

The problem does not remain just with children. It is a wider issue and affects adults as well. When I came to this country in 1957 there was no such thing as a language program. Therefore we as children had to struggle.

The parents who worked long hours from five in the morning to eight at night either in factories or construction—certainly my parents—were not able to learn the language properly. We are now paying in a social way because if we do not pay up front, we pay later as a society.

Later we will pay for the seniors. We talk about seniors issues in this House. We must remember that there are hundreds of thousands of seniors in this country who came here and worked

for the last 35 or 40 years and are not yet cognizant enough of the English language to be able to take advantage of the programs we provide through our taxpayers' dollars. They are not able to take advantage of the counselling programs we provide. They are not able to take advantage of a lot of programs that are available to the average Canadian. This creates an added burden on society.

My question is very important because I am concerned and interested. I want to make sure we look at funding. I am not simply asking questions from the point of view that we want more money because there is money going elsewhere or what have you. It is not a light question. I am looking very seriously at the implications of what it means to people and the effect it has on these people's lives down the road, both the children and adults along with the seniors eventually.

It is a social issue and not just one of immigration. I want to make sure the minister understands that. I want to ask the minister if the discussions I understand the parliamentary secretary to have mentioned that day are in any way anticipated to bring about results in the near future or if we are looking at something that will take still some time.

My concern is that something happen as soon as possible simply because we cannot afford to have children in the school system who do not get a proper education. The school boards get their money as we know from ratepayer taxes. It is a finite source and it is very difficult to deal with added resources.

We as a government and as a nation have a responsibility to assist in this area because we are the ones that set the levels. We work with the provinces in identifying the immigrants we want to come to this country. We have a responsibility to then work with the provinces to make sure there is equity in the system.

I would appreciate it if the minister would address that aspect of my question.

(1815)

Ms. Albina Guarnieri (Parliamentary Secretary to Minister of Canadian Heritage): Mr. Speaker, I know the hon. member has a long and distinguished background in settlement work in her home province. She can take pride in the fact that the government has already introduced regulatory changes that will allow refugee claimants to work while awaiting the outcome of their claim.

The government is committed to enhanced co-operation and co-ordination between the two levels of government. We will have to work together to use scarce resources more effectively.

The Minister of Citizenship and Immigration met on Monday with his Ontario counterparts to discuss the very matter raised by the hon. member for Beaches—Woodbine. I am pleased to say that the province of Ontario and the federal government will begin negotiations with a view to establishing an immigrant

agreement. Ontario is one of only three provinces that does not have an immigration agreement with the federal government.

With this first step we have clearly demonstrated our willingness to enhance co-operation and co-ordination between the two levels of government. The federal government has a series of settlement programs and services designed to help immigrants access services available to all Canadians. These programs are designed and delivered on the understanding that settlement is a process that involves new and established Canadian residents.

Canadians are involved as sponsors, service deliverers, volunteers and hosts. More than 300 external partners have entered into contribution agreements with the Department of Citizenship and Immigration for the delivery of services to newcomers.

The program allocations for the various settlement programs for 1993-94 will be over \$251 million. We understand and share Ontario's concerns about settlement and integration, and we are certainly prepared to listen. This immigration agreement will be the first step in addressing Ontario's concerns.

[Translation]

POLICY ON APPOINTMENTS

Mrs. Suzanne Tremblay (Rimouski—Témiscouata): Mr. Speaker, as the Minister of Canadian Heritage announced yesterday and again today, he is placing this House in front of a fait accompli with respect to the appointment of a new President of the Canadian Broadcasting Corporation. He has refused to subject this appointment to a parliamentary committee for approval in a free, binding vote, as the previous government had promised.

Yesterday, I asked the minister to explain to the House why this policy was changed and why candidates for the position of president and chief executive officer of the CBC had to send their resumés to the Prime Minister's Office, to the official in charge of appointments, who is a long-standing Liberal Party activist.

The minister told us that the policy had changed because the government had changed and went on to refer me to page 454 of *Hansard*. That was an obvious statement if there ever was one. And the reason I am rising again on this question this evening is that the minister's answer was totally unacceptable as it did not address my question.

I did refer to *Hansard* as the hon. minister had so kindly suggested and here is what I found, and I quote: "The government will announce shortly the appointment of the new president of the CBC".

Adjournment Debate

As you can see, Mr. Speaker, that does not answer my question. The previous government had instituted an appointment process designed to be non-partisan, in which nominations were to be sent to recruitment committees. Since coming into office October 25, the new government has been telling us that they were following in the tracks of the previous government. Let me tell you that they have gone off the track and that openness has been thrown into the ditch.

Today, I asked the minister again why his government had made that change? To no avail.

Why did the minister not submit the appointment to the parliamentary committee on Canadian Heritage?

Why does the minister refuse to table before that committee, meeting in camera, the list of candidates who have turned down the job as reported in *La Presse* today.

Why does the minister refuse to be more transparent about political appointments when his Prime Minister is boasting left and right that he wants to restore the confidence of the people of Canada and Quebec in their public corporations and federal institutions?

Is it only because the minister is not an expert on parliamentary procedure, as he said himself?

At the first opportunity the government has to make good on a promise, namely to run the country with transparency, it has candidacies sent to the Prime Minister's Office instead of an impartial recruitment committee.

I think that the people of Quebec and Canada are entitled to see for themselves that the people running their public corporations are chosen on the basis of objective criteria.

(1820)

Need I remind you that we are entitled to question the government's openness on this? Indeed, we have no grounds to believe that the credibility of the process of appointment to management positions in federal institutions has been improved by the recent change of government.

How many candidates refused the position in the CBC? Why did the Prime Minister break with tradition and prefer to choose a candidate from inside instead of from outside the organization? The minister had many meetings with the candidate while he was acting president of the Corporation since November. Did the minister discuss his candidacy during those meetings? Did the minister support the candidacy? Did he personally recommend it to the appointments director? Who really made the decision? The minister, Mrs. Collenette or the Prime Minister on the advice of his special adviser, the former president of the CBC?

Adjournment Debate

All these questions are unanswered. Could the minister answer them directly tonight, without referring me to *Hansard* this time?

[English]

Ms. Albina Guarnieri (Parliamentary Secretary to Minister of Canadian Heritage): Mr. Speaker, on behalf of the Minister of Canadian Heritage I am pleased to respond to the question raised by the member for Rimouski—Témiscouata on the appointment of the new president of the CBC.

[Translation]

As the minister said, the selection process for the new president of the CBC was very transparent. On November 13, 1993, a call for candidacies was printed in *The Canada Gazette*, and all interested candidates had the opportunity to apply for the position. Also, many people were consulted on this issue.

The CBC needed someone with experience who knew the nuts and bolts of this institution and was ready to go into action immediately. Mr. Manera is such a person. He has been working for the corporation since 1985, holding the positions of senior vice-president, Resources and Administration, and more recently, acting president.

The appointment of the new president comes with a series of measures the government has undertaken to allow the Canadian Broadcasting Corporation to assume its own destiny, one of the commitments the Liberals included in the red book.

[English]

The appointment of Mr. Manera and the series of measures announced will assist the CBC in reinforcing its role as public broadcaster and as a national institution serving the Canadian public.

[Translation]

Of all our cultural institutions, the CBC is undoubtedly the one which plays the most significant role in defining our national identity.

The broadcasting industry is undergoing massive changes, and it was imperative that we appoint a president capable of dealing with the financial problems of the Corporation and of reasserting loud and clear the role of the CBC as a public broadcaster serving the Canadian public. That is exactly what we have done, and an announcement on this issue was made this morning.

UNEMPLOYMENT INSURANCE

Mr. Gaston Leroux (Richmond—Wolfe): Mr. Speaker, last Friday, the minister of Human Resources Development ended his answer to my question on a potential Unemployment Insurance costs increase by inviting the Official Opposition to co-operate with him in a thorough examination of social pro-

grammes, and thus study the question of government's social expenditures as a whole.

I would like to take this opportunity to remind the minister of Human Resources Development that we should also take a look at the evolution of certain of our social policies, and I am particularly referring to the lack of a family oriented policy in Canada, since 1994 year is the International Year of the Family.

With the emergence of a certain form of neoliberalism in the eighties, a new view of family responsibility has come to the fore; it has now become an individual responsibility, thus freeing society from a seemingly embarrassing load.

(1825)

Federal social policies are often based on a concept of the family where the husband is the only wage earner. Thus, we have a married exemption in our tax system. In our old age security plan, the wife's benefits are cut in half when her husband dies, but if the wife dies, her husband keeps all his benefits.

As a result of complex changes in the tax system and the deindexation of family and child benefits, a Senate committee says that, from 1986 to 1991, the federal government grabbed \$3.5 billion out of the family and child benefits program. A Quebec family with two children and an income of \$70,000 a year pays as much tax as a childless family with the same income.

Thus, a couple who chooses to invest in a pension plan will have generous tax deductions, but if it prefers to invest in the future of the Quebec nation by having children, it has to fend for itself without any help from Revenue Canada.

This lack of family oriented policies at the federal level carries tragic consequences. In 1991, the number of children depending on food banks in Quebec and Canada was estimated at 700,000. One year later, it was 900,000. Many teachers throughout our school system complain that they are now social workers because of a sharp deterioration in family life and because of the number of children they look after.

The following case shows the great inconsistency of federal family-oriented policies. In Toronto, a young mother, owner of a small business with nine employees, had to be on her job in her business two days only after having a baby. That person contributes to plans insuring a significant percentage of her employees' salaries when they are on maternity leave, but nothing in the social policies of the federal government provides for maternity leave for that small business owner. Such a situation is unacceptable.

The establishment of a universal day care program, maternity leave and special leave granted to mothers to provide care to a sick child are but a few of the issues that have to be debated in initiating a true reform of social programs, and especially the establishment of family oriented policy.

Adjournment Debate

Simple things such as allowing children to have lunch at school so that they do not have to travel, offering flexible work schedules and offering a flexible transit system to seniors would also foster the emergence of a family oriented policy.

In the past, the federal government, and this includes the Liberal government, showed a lack of vision and a lack of courage towards Quebecers and Canadians with respect to family oriented policies.

We, the members of the Bloc Quebecois, are convinced that a review of our social programs starts with the development of a real family oriented policy in Canada as well as in Quebec. Whatever options the Liberal Party has, it is difficult for us to think that this government can ignore the fundamental changes that family structures have undergone in Canada and Quebec since the introduction of social programs.

[English]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development): Mr. Speaker, the UI premium rate for 1994 has been set at the minimum rate required under the Unemployment Insurance Act. The rate will not be increased during 1994. Furthermore, the government will introduce legislation to prevent the UI premium rate from rising in 1995 as would otherwise occur under the provisions of the Unemployment Insurance Act.

The UI program is self-financing from premiums paid by employees and employers. The federal government temporarily finances UI deficits but premium revenues must eventually match UI costs. We therefore might have paid for the freeze by allowing the deficit in the UI account to rise, thus postponing the day it would return to balance, but we decided that would be imprudent.

There is widespread recognition of the need for a comprehensive reform of Canada's social security programs. No department or government on its own could design all the appropriate changes. Therefore we hope members of the House from all

parties will participate in the reform of social programs including unemployment insurance.

As the Minister of Human Resources Development said in response to the hon. member's original question, the review of the social security system that was launched in the House on January 31 will consider the issues of unemployment insurance rates and premiums in a broader context.

The hon. member will agree that the problems facing Canadians in the 1990s go far beyond the financing of the UI system. Unemployment, poverty, global competitiveness, changes in the work place and skill shortages are only some of the factors we must consider in the process of rebuilding the social security, labour market and learning framework of our country.

The scope of the review will include UI but will extend beyond it to include training and employment programs, social assistance and income security, education and learning, labour practices and rules affecting the workplace, and taxes and premiums that affect job creation.

Our goal is to reduce reliance on programs like unemployment insurance by helping people to get back to work. This is the mandate we received from the Canadian people in the October 25 election. This is our commitment and this is what the social security reform process is all about.

As the hon. member knows, the minister outlined a process for reform that will consult widely with Canadians from all walks of life on these important issues. The process respects the jurisdiction—

The Deputy Speaker: I am sorry to say that the member's time has expired.

[Translation]

The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at ten o'clock, pursuant to Standing Orders 24(1).

(The House adjourned at 6.30 p.m.)

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