



House of Commons Debates

VOLUME 133

NUMBER 045

1st SESSION

35th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Friday, March 25, 1994

Speaker: The Honourable Gilbert Parent

HOUSE OF COMMONS

Friday, March 25, 1994

The House met at 10 a.m.

Prayers

[*English*]

PRIVILEGE

LANGUAGE USAGE—SPEAKER'S RULING

The Deputy Speaker: Colleagues, the Chair is now ready to take up the matter of gender neutral language raised on Thursday, March 17 of this year by the hon. member for Ottawa West, the Parliamentary Secretary to the President of the Treasury Board.

[*Translation*]

I wish to thank her for her comments and I would also like to thank the hon. members for Glengarry—Prescott—Russell and for Surrey—White Rock—South Langley for their presentations.

There is no doubt a strong movement in society to eliminate the occurrence of sexual stereotypes in all forms of communication.

[*English*]

Concerning the word “chairman” specifically, the current trend seems to be to remove any gender connotation, although there is no clear consensus on the most satisfactory alternative. For example, since the beginning of this Parliament the practice has emerged whereby the chairs and vice-chairs of committees have been identified using the terms “chair, chairperson or chairman” as desired, in the publications in the House. My colleague, the hon. member for Saint-Laurent—Cartierville, refers to herself as Deputy Chairperson of Committees of the Whole.

In our standing orders we have eliminated any reference to Mr. Speaker. At the end of each issue of our *Votes and Proceedings* the Speaker is referred to simply as Speaker. As well, any reference to a member or a minister is gender inclusive; that is, the references are to “he or she” and “him or her”.

[*Translation*]

However, as the hon. Member for Glengarry—Prescott—Russell rightly noted, the Standing Orders still contain a number of words and phrases which could be considered gender-biased.

This is also the case in a number of other parliaments and provincial legislatures. In some of these legislatures, just as in the House of Commons, the terminology used in their Standing Orders is not necessarily the same as that found in their publications.

[*English*]

This is an issue which has been raised many times over the years both in the House and in committee and the Chair continues to be deeply concerned about it. Given the inconsistencies in the use of language in the publications and in the House and its committees, perhaps it is time for a committee of the House to examine the matter with a view to recommending standardization of terminology.

I agree with the hon. member for Glengarry—Prescott—Russell that this is a matter which should be pursued or might be pursued by the Standing Committee on Procedure and House Affairs. I would urge that committee to address it during its current review of the standing orders.

GOVERNMENT ORDERS

(1005)

[*English*]

BUDGET IMPLEMENTATION ACT, 1994

Hon. Arthur C. Eggleton (for the Minister of Finance) moved that Bill C-17, an act to amend certain statutes to implement certain provisions of the budget tabled in Parliament on February 22, 1994 be read the second time and referred to a committee.

Mr. Stephen Harper (Calgary West): Mr. Speaker, I am rising on a point of order to make a procedural argument concerning the omnibus nature of this piece of legislation.

This is a new Parliament which I think has been working reasonably well in spite of our recent difficulties. I really would like to call the attention of the Chair to the nature of this particular bill and to urge the Chair to re-examine a practice we have fallen into.

The particular bill before us, Bill C-17, is of an omnibus nature. I put it to you, Mr. Speaker, that you should rule it out of order and it should not be considered by the House in the form in which it has been presented. I would hope that in making your decision on the acceptability of Bill C-17 in its present form you

Government Orders

will refer to the famous ruling by Mr. Lamoureux of January 26, 1971 in which he said:

However, where do we stop? Where is the point of no return? The hon. member for Winnipeg North Centre, and I believe the hon. member for Edmonton West, said that we might reach a point where we would have only one bill, a bill at the start of the session for the improvement of the quality of the life in Canada which would include every single proposed piece of legislation for the session. That would be an omnibus bill with a capital *O* and a capital *B*. But would it be acceptable legislation? There must be a point where we can go beyond what is acceptable from a strictly parliamentary standpoint.

Even though the Speaker in that case went on to rule that this point had not been reached, I submit to you that it has become a standard practice with governments to bring in omnibus legislation following every budget under what we might call the kitchen sink approach.

Beauchesne's sixth edition, citation 626 bears directly on this aspect of the matter. It states:

(1) Although there is no specific set of rules or guidelines governing the content of a bill, there should be a theme of relevancy amongst the contents of a bill. They must be relevant to and subject to the umbrella which is raised by the terminology of the long title of the bill.

Mr. Speaker, I would argue that the subject matter of the bill is so diverse that a single vote on the content would put members in conflict with their own principles.

In this present case, the drafters of Bill C-17 have incorporated in the same bill the following measures: public sector compensation freezes; a freeze in Canada assistance plan payments and Public Utilities Income Tax Transfer Act transfers; extension and deepening of transportation subsidies; authorization for the Canadian Broadcasting Corporation to borrow money; and changes to unemployment insurance with respect to benefits and the payroll taxes.

First, there is a lack of relevancy of these issues. The omnibus bills we have before us attempt to amend several different existing laws.

Second, in the interest of democracy I ask: How can members represent their constituents on these various areas when they are forced to vote in a block on such legislation and on such concerns?

We can agree with some of the measures but oppose others. How do we express our views and the views of our constituents when the matters are so diverse? Dividing the bill into several components would allow members to represent views of their constituents on each of the different components in the bill.

The bill contains many distinct proposals and principles and asking members to provide simple answers to such complex questions is in contradiction to the conventions and practices of the House.

(1010)

As well this will cause fairly serious difficulties in committee. This bill will ultimately go to only one committee of the House, a committee that will inevitably lack the breadth of expertise required for consideration of a bill of this scope. Furthermore, the workload of that committee will be onerous and it will be very difficult to give due consideration to all relevant opinion.

In concluding my point of order, I would like to quote the hon. member for Windsor West, the government House leader who said on May 30, 1988: "For all the reasons I have given, I respectfully submit that this bill is of improper omnibus nature. This is consistent with what I consider and I respectfully submit to be, the relevant precedents. This is consistent with the traditions of the House and, more important, the purpose of those traditions in terms of the relevance of this House to the life of the country now and in the future".

This is a new Parliament. I do ask that we take a new approach to this in spite of previous rulings on this matter. I would ask that you give consideration to this, Mr. Speaker. I would also ask the government members, particularly those who have spoken on precisely this question in the previous Parliament with precisely the same concerns, to give serious consideration to this issue of democracy and the functionality of this Parliament now.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I am surprised that the hon. member has raised this point today in the House. The bill has been before the House for a period of time. I am surprised that if he had objections to the format of the bill he would not have raised them in a procedural way before.

However having done so, it is only fair for the hon. member to bear in mind this is not a particularly onerous bill in terms of the material contained in it. It is actually quite short. It is only 21 pages and by any standard in this House it is not a thick bill. There are ones with many more pages which have been introduced in this session already.

I also note that all the provisions in this bill are ones that arose out of the budget presented by the Minister of Finance a month ago. As such they were debated in the House for four days in the course of the budget debate. All the issues were discussed during those four days and those same issues will be discussed again on second reading of this bill.

The issues are exactly the same as those raised by the minister in his budget address and which have been debated by the House

Government Orders

already. I do not think there is anything unusual about lumping these together for the purposes of debate. The hon. member suggests they are totally disjointed and I suggest they are not. They are part of the overall economic plan of the government as announced in the budget.

There are many different acts involved in terms of amendments because of the freezes imposed on various parts of the public service, including members of Parliament, judges and so on. All those amendments to the various acts that are involved in those freezes are part of an overall freeze on payments made by the government.

Similarly the changes to the Unemployment Insurance Act fall into the same arrangement. The changes with respect to the Canadian Broadcasting Corporation deal with freezes that were put in place in previous legislation and previous budgets and allow for some borrowing authority.

While the subject matter may be diverse, I suggest to the hon. member that given the fact they were all introduced in the budget, they form a whole, unified policy thrust which the government has put forward and which it will be defending in the course of the debate on this bill. Therefore in my submission, the bill is entirely in order.

In support of my position I refer to Beauchesne's, sixth edition, citation 634. I recognize the hon. member for Calgary West quoted a citation from Beauchesne's and quoted from a ruling of the Speaker in 1971 which is quoted in citation 634 of Beauchesne's. Notwithstanding his very able argument, I think he has missed the point. Citation 634 reads:

Speakers have expressed deep concern about the use of omnibus bills, and have suggested that there must be "a point where we go beyond what is acceptable from a strictly parliamentary standpoint". Nevertheless, the practice of using one bill to demand one decision on a number of quite different, although related subjects, while a matter of concern, is an issue on which the Speaker will not intervene to divide the bill.

(1015)

I do not know what the hon. member is asking, if he is asking Your Honour to divide this bill or not. The authority in Beauchesne seems to be that the Speaker will not intervene to do that. I suspect he is really raising this matter this morning as a bit of a red herring.

I point out citation 635 of Beauchesne sixth edition. It says:

In the case of an omnibus bill, the Speaker has encouraged the use of motions to delete a clause at the report stage, pursuant to Standing Order 76(2) to permit the House to decide a specific issue contained in an omnibus bill, even though the motion might offend the principle of the bill.

If the hon. member genuinely believes that this is an omnibus bill that involves too many subjects for him to deal with in the

committee or for the committee to deal with in a reasonable way, he has a remedy. He may propose amendments at the report stage to delete sections of the bill that would constitute obviously a one policy thrust if indeed he regards this as a series of different policy thrusts and have the House make a decision on that at report stage.

I suggest that is a fair and reasonable remedy, certainly in this situation. I do not think this falls in the category of a bill that deals with a host of subjects that are massive in their import. This is a relatively modest bill by any standard. As I have indicated it follows from a major policy thrust, namely this year's annual budget from the Minister of Finance.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I want to add very briefly a few points to what has been raised by my colleague the parliamentary secretary.

The member across the way invoked the fact, and I believe I am quoting him accurately, when he said: "We may be in favour of some articles and against others". That is precisely why committees of Parliament exist. Clauses can be deleted from the bill at committee.

There is a second remedy as well as was quoted by my colleague the parliamentary secretary for those members who do not sit on a particular committee. Of course that is the report stage of the bill where motions can be introduced to delete sections of the bill.

Finally, the member opposite indicated something to the effect that the bill was disjointed or did not fit the criteria of omnibus bills. He indicated that the subjects were diverse.

If that argument stands then surely it should have been made on the budget itself. After all this is a bill to implement the budget. If the bill has that disjointed characteristic that was ascribed to it by the member opposite, surely the argument would have also stood for the ways and means motion that was debated in the House and the budget itself.

If that was not true or if it was not invoked at those stages, and it has not been invoked since the bill in question was introduced on March 16, may I suggest that the argument has no more value today.

Perhaps I could add one last point. The Speaker ruled in the last Parliament that a bill which was far more comprehensive than this one, this bill only having some 20 pages, was not deemed to be offensive and against rule 634 of Beauchesne. That bill was at least 10 times the size of the one that we have now. If a bill 10 times the size was not deemed to be so omnibus that it offended this House, surely a bill one tenth the size of the previous one would not be any more offensive.

Government Orders

Mr. Harper (Calgary West): Mr. Speaker, if I could just comment. Of course I am disappointed that the government cannot see the merit of its own previous arguments on matters such as these.

I would ask you to consider one point that has been raised by both of my colleagues on the government side. That is to acquaint the scope of the bill with the size and the length of it and the number of pages. I think that is an entirely inappropriate consideration. We all know that the scope of the bill is not necessarily related to the volume of paper it contains. A bill could be of the absolute maximum scope conceivable and be extremely short. Likewise we had a very thick bill in this Parliament on the income tax amendments which was actually quite narrow in scope. It is the scope of the bill rather than the size that is important.

(1020)

I put it once again that this bill touches on a wide range of areas of public policy, what would normally fall in the purview of several House committees to look at.

I would also point out to you, Mr. Speaker, that if you examine carefully the arguments of the government members on the tests of the relatedness of these subject matters that the only relation the government has really pointed to is the fact that they are, broadly speaking, all part of the government's legislative agenda. I submit to you that that is not an adequate test of their relationship and their relevance to each other.

The Deputy Speaker: The Chair would like to thank all three members for their thoughtful interventions on this matter. In fact, the severance issue as it is called has been argued in courts many times. The lawyers in the House will know that. We have all argued it often in court, usually in matters of criminal charges. It is an issue which is most important.

The references that were made by the various members with which this chair occupant is familiar and the matters will all be considered carefully. Unfortunately it is going to take more than an instant to give a proper ruling on the matter.

We have had many omnibus bills in the past in this House. The bill will therefore have to proceed and if close examination is made a ruling will be made on it further down the trail, so to speak.

For the time being the bill will proceed and I would call on the hon. President of the Treasury Board.

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure): Mr. Speaker, one of the many groups of Canadians that are affected by Bill C-17 is the Public Service of Canada. When we came to power we found the public service under considerable stress. We have already started the rebuilding process and by the end of our

mandate we expect the public service will have recovered its full ability to serve Canadians.

The wage and increment freeze which was announced in the budget is a difficult but necessary measure. The freeze which ensures that \$1 billion can be booked in the fiscal framework to be reached in the year 1996-97 is something I recognize that public service employees will not welcome with open arms. But, frankly, we are freezing salaries to save jobs.

This government also announced in the budget an efficiency in program review aimed at reducing the cost of government. How that is connected is that if we find enough savings to meet the reduced departmental expenditure targets, we can apply the additional efficiency savings to reducing the length of the wage freeze.

Though the cool reception of many union leaders to the freeze of wages and increments announced in the budget is certainly understandable, I want to place our actions in perspective and show that we have been as fair as we could be to the public service in the present circumstances. I am confident that public service employees will accept this budget, especially when they understand the sacrifices that we are asking all Canadians, other groups of Canadians, to accept as well.

[*Translation*]

Most Canadians do not suspect how much they owe their quality of life to the employees of the Public Service of Canada. Let me give you three examples of the contribution of public servants to Canadians' welfare.

[*English*]

For more than 150 years members of the Geological Survey of Canada, using them as an example, have mapped the mineral resources of this country. This year and in future years commercial exploration will take place and new mines will open because of the work that is being done now by these public service employees.

(1025)

Canada, as we well know and appreciate and as I have said many times, has just about the most respected police force in the world. Indeed, it is a national symbol. Everywhere Canadians are safer because of the work of policemen and policewomen of the Royal Canadian Mounted Police.

Every Canadian who flies in this country as we all do benefits from a network of services that the Government of Canada has developed and maintains. The maps used to fly the planes, the air traffic controllers that guide them through the air, the weather warning systems, all come from the public service.

The organizations and people working for government are too diverse for any less to do justice to them. In addition to the people I have just mentioned, the examples I have given, are

Government Orders

peacekeepers, scientists, postmen and postwomen, grain inspectors, trade negotiators and on and on.

The purpose of this list is not just to catalogue the jobs that government employees do but, more important, it illustrates the real and substantial value of these jobs. The people of Canada are getting a good deal from the people who serve them.

Public service employees have long accepted the notion that although they would never get rich working in the public service, they would at least feel more secure in terms of job security than perhaps in some other sectors.

The main source of employment security for our employees is this government's policy to preserve jobs for Canadians. The main instrument of this policy in the public service is the workforce adjustment directive. In essence this directive says that no employee will be laid off because of reductions in the workforce unless he or she has received another reasonable job offer, provided the employee is mobile and willing to be retrained where necessary.

The previous government made it clear that its intention was to legislate unilaterally an end to the employment security features of workforce adjustment. It was saying to affected employees that it was only a matter of time before they would be out the door. Remember that phrase pink slips and running shoes?

Mr. Speaker, I am sure that you can realize the effect that this would have on the morale of the public service and its capacity to deliver quality service to Canadians. That is why the government will make no changes to the employment security features affecting workforce adjustment without agreement of the public service unions. In other words, it is subject to negotiations. They may want changes, we may want changes. We are not going to act unilaterally as the previous government had suggested it would do.

This government has no dogma about downsizing the public service. Our priority is and will continue to be to provide quality service to Canadians in the most efficient way possible. Of course some departments will shrink, others may even grow.

[*Translation*]

Our objective will therefore be to help employees affected by the cuts in some departments to obtain another position in the public service or elsewhere. Specific measures are provided for this purpose.

[*English*]

First, we shall continue to limit external recruitment and improve the management of the priority staffing process for employees whose positions are being eliminated.

Second, we shall ensure that departments have access to the incremental funds that they need to train for new jobs those employees who are affected by the workforce adjustment. When departments have additional training requirements because of this program the Treasury Board will provide central funding to complement departmental budgets for that purpose.

I would like to turn to the measures in this bill and explain their origins. The measures are a realistic combination of two elements. First, the budget recognizes that it is necessary for the attack on the deficit to book savings from the operating funds of departments through a wage freeze.

Second, it creates an opportunity for public service managers and employees to find more efficiency savings in an effort to shorten the duration of the wage freeze. Bill C-17 extends for a further two years the wage freeze for the Governor General, the lieutenant governors, federally appointed judges, members of Parliament and senators, members of the armed forces, RCMP as well as the employees of the public service. Why are we freezing salaries and suspending pay increments? Why are we taking these measures when the existing freeze still has another year to run? Public service employees deserve and need the answers to these questions.

(1030)

The Minister of Finance gave the most evident and compelling reason for the freeze in his budget address. Simply put, there is no money for increases. The total salary costs of the government amount to \$18.5 billion, thus making salaries a very important part of federal expenditures.

Though the government would rather proceed by negotiation than by legislation, I am convinced there really was not a reasonable alternative. In my consultations with our unions—and I did have prebudget consultations; other people engaged in them as well—they made it absolutely clear they had no interest in negotiating concessions. I understand that point of view.

If we had waited until the 1995 budget, a year from now, several bargaining units would have already been eligible to start negotiations and could have been off seeking third party arbitration by that point in time. Rather than let those processes begin under false premises we decided, albeit most reluctantly, to act this year in the budget and in this bill.

Bill C-17 also suspends normal pay increments. These increments, which are the pay increases automatically awarded to employees as they gain experience in new jobs, are common in both the public and private sector. We have chosen to suspend them because they were allowing a substantial number of public service employees to continue to get pay increases while their colleagues' salaries were frozen. The freeze on increments will put everybody in the same boat for the next two years. At the

Government Orders

same time this two-year measure on increments will reduce costs by some \$400 million.

I might add that even in the years where there were zero increases in the existing legislation for wages the actual wage bill was going up at about 3 per cent because of the increments.

Though Bill C-17 does not allow the government to shorten or lift the freeze—it is not in the wording that we see before us—the government has made a very clear commitment to do so if efficiency savings in operating costs by December 31 of this year warrant it. Therefore we will make the decision on the freeze and our opportunity to lift the freeze, if it can be done, in the run-up to the 1995 budget.

The government is initiating a review of its operations, I think it is important to point out, to generate efficiency savings, reduce overlap and duplication, and eliminate low priority programs. The review for which my ministry will be responsible is intended to produce results by the end of December for use in the planning of the 1995 budget.

The Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal will lead with one component of the review that will focus on government programs, the roles and responsibilities. It will determine what services the government should provide and what services the taxpayer can in fact afford. It will also seek to eliminate overlap and duplication both within the federal government and among other levels of government and to reduce or eliminate programs that are no longer a priority. The efficiency component of the review will concentrate on increasing the efficiency of government operations. The emphasis will be on how to deliver existing services more cheaply.

We have invited public service unions to contribute to the review with a focus on efficiency at two levels: national unions working on issues with the Treasury Board secretariat on governmentwide savings, and local components of the unions working with departmental management on efficiency savings in each department in each locale in the country.

My parliamentary secretary, the hon. member for Ottawa West, is meeting with union representatives this week to explore the most productive ways for them to participate in the review. We hope the review will generate savings over and above the restraint measures that this and previous budgets have put in place.

The added savings from changing government programs will be available for such purposes as reducing the deficit, reallocating funds to other major programs or shortening the length of the wage freeze. The government's decision on what to do with these savings will be part of the 1995 budget.

The government believes that unions, managers and employees share a common desire to serve Canada well. We therefore want to put before the public service unions and the employees a broad range of issues for them to consider at various times and in various forums. The unions have proposed several of these issues for joint resolution. Management will suggest others.

(1035)

Here are some examples. For years the issue of contracted services has been a bone of contention among public service unions, managers and government. The unions see it as an attack on their members, while others consider it a cost effective way of doing business. We want to look at all aspects of the issue and make the best decisions for the people receiving our services and for taxpayers.

I have made a commitment to provide the Standing Committee on Government Operations with detailed information on contracting for services in the federal government. I have suggested to the committee that it undertake a broad review of the subject, here again opening to members of Parliament the opportunity to be involved in the decision making process.

In announcing the decision I wish to thank my parliamentary secretary, the hon. member for Ottawa West. Through the years of the previous government she and other members from the national capital region kept Parliament's interest in the public service alive. I know they are ready to make a strong contribution to the committee, as will members from across the country. After all, the public service is not just an Ottawa institution. I should point out that two-thirds of its members are located outside the national capital region in all parts of Canada.

The parliamentary committee may wish from time to time to examine other public service issues. The government remains committed to its employees and to their employment security. We intend to stabilize public service employment levels as much as we can. Nevertheless we must have the flexibility to make program adjustments as the needs of Canadians evolve.

Accordingly we will seek to make some modifications to the existing workforce adjustment directive, but we shall do so with the public service bargaining agents through the negotiation process that is now in place. They want changes as well.

Let me deal with pension management for a moment. There are compelling reasons for fundamental reform of major federal public service pension plans. The Public Service Superannuation Act, for example, is more than 40 years old and subject to criticism from several quarters. Plan members seek greater security of benefits. Taxpayers see the unlimited indexing of benefits as overly generous. The Auditor General has advocated changes to the plan's funding arrangements. Public service unions seek a greater voice in designing and managing the plan.

Government Orders

The government is determined to respond to these concerns with reforms that make the plan simpler, more affordable and easier to manage. We will develop the reforms in partnership with my advisory committee which comprises representatives of the plan's major stakeholders including the public service unions. We will renew the mandate of the advisory committee to develop a strategy for the complete overhaul of the program and to produce a framework for a replacement.

The Government of Canada and its employee unions have been unable to come to a full resolution on the issue of equal pay for work of equal value. Indeed the issue is now before a human rights tribunal where it could sit unresolved for another two years if no means are found to settle the matter through negotiation.

At the same time, to make it easier to resolve pay equity concerns in the long term we need fundamental changes in the job classification and remuneration structures of the public service. I am looking forward to trying to find a less confrontational way of ensuring that employees receive compensation that is in fact gender neutral. We are looking for ways to try to bring about a negotiated settlement of the matter.

The notions of what is a job and what is work are changing. We are moving away from the 9 to 5 routine, the old office and factory of the age of industry. For example, more work is being done at home under a policy that we have: Treasury Board's three-year Telework pilot project. Work schedules have to be adjusted to the needs of clients. We need to be more flexible. We need to change the structure of work. As the public service unions and managers have a big role to play in the evolution, this topic will be on the table for joint action.

I raise all of these matters, as I reach my conclusion, to illustrate that even though there is a wage freeze, which means we cannot go to the bargaining table on wages, we can go to the bargaining table to attempt to deal with a number of other issues. These are just examples. There are others that both we and the unions want to raise at the table. Through those means we will help to build the relationship between employer and employee over the years ahead.

(1040)

I hope my remarks have made clear the main elements of the approach the government will take with the public service.

[*Translation*]

To begin with, we respect and are fully aware of the contribution to be made by employees of the Public Service of Canada.

[*English*]

We shall seek the broadest possible dialogue with public service unions and managers.

[*Translation*]

We will involve Parliament closely in all the major issues affecting the public service.

[*English*]

When necessary we shall act directly through legislation to ensure that the government's fiscal requirements are met. We shall respect the employment security of public service employees. I summarize these principles because they will guide all our actions. We expect to be held to them and I welcome that.

Let me conclude where I began. This is a responsible budget. A responsible bill flows from that budget. I look forward to working with the managers and the union leaders of the public service in implementing the budget measures that I have just discussed.

[*Translation*]

The Deputy Speaker: Since there are no questions and comments, debate is resumed. I will now recognize the hon. member for Mercier.

Mrs. Francine Lalonde (Mercier): Mr. Speaker, I would like to start by pointing out that the previous speech was made by the President of the Treasury Board, and with respect, I think it is a disgrace that this government wants to change substantially how unemployment insurance works without introducing a separate bill to do so. Something even the Conservatives would not have dared to do.

The figures released yesterday on the total value of benefits paid, which will be reduced during 1994-95 and 1995-96—and I may recall that for each year this will be \$630 million in the Atlantic Provinces and \$735 million in Quebec—these figures show that the Maritime Provinces and Quebec will be hit with nearly 60 per cent of the cutbacks, although together they represent only one-third of the population. In fact, the Maritimes are being hit even worse. The Maritimes, or should I say the Atlantic Provinces, with 8.5 per cent of the population of Canada, will feel 26 per cent of the cuts, while Quebec is also seriously hit, with 25 per cent of the population and 31 per cent of the cuts.

I wanted to make this point because this amendment to the Unemployment Insurance Act does more than change the rules and the number of weeks. It marks the end of the redistributive effect of unemployment insurance. This effect was needed because of the widely differing economies in some of Canada's regions. I do not think the workers in these regions should be penalized for the poor state of the economy, especially when a government gets elected by saying: jobs, jobs, jobs, vote for us!

By making these cuts, the government is passing judgment on the economy of these provinces and the Maritimes. It is saying: It is useless to do anything to help you. Move somewhere else! So workers will have to move, and if they do not, they will only have themselves to blame. One minister says we can give them

Government Orders

some hope for the future by letting them pick up trash when they are between the ages of 50 and 65.

(1045)

This bill will endear the government to no one, especially in the Maritimes, where the Liberals were elected with a strong majority and where they never told the workers who voted for them and their promises of jobs, that all these people who were seasonally employed would soon see their benefits cut by an omnibus bill.

These cuts are substantial, Mr. Speaker. We saw the overall figures, but to the individual, it means a loss of thousands of dollars and a change of status. For the benefit of those who have never been unemployed, there is a world of difference between being on unemployment insurance between jobs and being forced to go on welfare and feel like a social reject.

Measures to provide that in some cases, people could be employed for a certain time and then go on unemployment insurance, were introduced by a previous Liberal government. The Liberals initiated this mechanism to provide for a measure of equity regions and between individuals.

Did the Liberals not realize that these cutbacks would come down harder on the Maritimes and Quebec? Was this a coincidence and were they convinced that this was the route they had to take? No. Were they unaware of the consequences? Not on your Nelly. In the unemployment insurance bureaucracy it was common knowledge that people with short term employment could depend on unemployment insurance to supplement their income and could apply again, if they had to, but not every year. They could have this security, this money to tide them over. They knew, because there are plenty of tables at Unemployment and Immigration Canada that say so. These tables show that repeaters, as they are commonly called, tend to be from the Maritimes and Quebec. Individuals with between 10 and 20 weeks of employment are from the Maritimes and Quebec. In fact, in 1991, the proportion of repeaters was 65 per cent in Newfoundland, compared with 4 per cent in Ontario.

If the Liberals wanted a debate on the redistributive effect of unemployment insurance, they should have tackled this issue head-on. If Ontarians are sick and tired of paying for the rest of Canada, let us be honest about it, instead of hiding behind an omnibus bill that is touted as a set of new mechanisms but in fact introduces only technical changes.

What does this government want? What is it drawn to? The American model? Is it adapting to the North American model? I ask the question but, as a well-known Liberal Prime Minister once said, to ask the question is to answer it. Is the government adapting its policies to those of the United States, where the norm is six months on unemployment insurance and coverage is

50 per cent of the average industrial wage? We are very close. We are almost there.

These are the same Liberals who fought against free trade and NAFTA, and they are going to make the workers, the victims, pay for the impact of these globalization policies.

On the basis of the figures for the Maritimes and Quebec, our conclusion is that economic problems experienced by individuals can only be addressed by helping the individual. It is economic policy which determines whether or not Quebec's regions can develop. That is the issue.

(1050)

Since this omnibus bill is presented to implement the budget, let me talk about the economic policy underlying it. This week, during debate on the motion concerning job creation, I said that there are two kinds of countries. There are those where employment is the residue, the leftover, what remains when all the rest has been dealt with, when inflation, the debt and business subsidies have been considered. What else! In other countries, employment is the goal and it conditions all the parameters of a government's policy; it is part of an overall employment policy or strategy, not half-measures. We find half-measures not in what is done but in the promises. We are promised half-measures.

The government has refused to address fiscal policy. It rejected the Bloc's proposal to set up a committee to look at all budget expenditures. The government has pursued the same monetary policy as the Conservatives, unsuccessfully, since we see how threatened the rates are now. The government does not care; on the contrary, the Liberals have always been the natural governing party, especially in Ottawa, so they do not care about giving the regions what they need to develop.

Mr. Speaker, Alain Dubuc, the famous editorialist of *La Presse*—by famous, I mean well-known; I do not always agree with him—recently wrote something which I believe is very important, especially coming from him. Unfortunately, I do not have a copy of the newspaper with me, but I am not misrepresenting him with this quotation: "Lloyd Axworthy did not do what had to be done. He cut before putting measures in place to help workers".

The unemployment insurance measures which arouse the anger we see developing, understandably, will make the most vulnerable and the most disadvantaged pay for a reform that is still poorly defined, but whose outlines we can suppose. Before putting assistance measures in place, before implementing an employment-based economic policy worthy of the name, they cut. They cut and attacked those in the most difficult situation.

As a member of the Committee on Human Resources Development, I heard the testimony of people from Sydney who are completely discouraged. Just raising the qualifying period from 10 to 12 weeks in a region where unemployment is 15 or 16 per cent, there are no jobs and shutdowns are everywhere, throws many individuals and families into despair, because instead of having an adjustment period to find their feet, they are forced to

go on welfare. They are rejected. They feel downgraded, abandoned, left behind by this government which, I repeat, was elected by a very large majority of people who voted Liberal in the Maritimes on the promise of jobs.

By the way, I want to point out the complacency of the Quebec Liberal government as well, which is not speaking out strongly to say how much these measures will cost it in additional welfare payments.

(1055)

A booklet released yesterday by Employment and Immigration Canada broaches the subject of social assistance. The following is stated: "The minister invited provincial officials to meet with those responsible for human resources development with a view to identifying estimates and developing a common agreement on the implications of social assistance". Representatives in Ottawa currently put the potential repercussions for the provinces at between \$65 million and \$135 million. This means roughly \$40 million for Quebec, given the situation in which it currently finds itself.

Is the Government of Quebec complaining? No. Of course, there is an election coming and the Quebec Liberal government is a prisoner of its own political options.

Once again, it is the workers who are going to pay dearly very soon for this government's refusal to keep its promises. The least fortunate are going to have to pay for the complicity of other governments seeking only to settle their own structural problems by paying no heed to ordinary people.

I see that I must wrap up my remarks, Mr. Speaker. I would have liked to continue, but I have been told that my time is nearly up. When I speak from the heart, I can go on for quite some time. However, before concluding, I would like to table the following motion:

That all of the words following the word "That" be rescinded and replaced by the following:

"this House refuse to proceed with the second reading of Bill C-17, an Act to amend certain statutes to implement certain provisions of the budget

1) given that the amendments to the Unemployment Insurance Act do not reduce the inequities between have and have-not regions in the country and contain no specific measures to reduce youth unemployment;

2) given that the amendments to the Unemployment Insurance Act do not cancel the increase in premiums paid by workers and employers in effect since January 1, 1994."

S. O. 31

Having tabled this amendment, may I now use the time I have remaining?

The Speaker: The hon. member may continue later. I will take the motion under advisement, examine it and make a ruling immediately following oral question period.

[*English*]

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

STATEMENTS BY MEMBERS

[*English*]

COMMEMORATIVE STAMP

Mr. Paul Steckle (Huron—Bruce): Mr. Speaker, I am very happy to inform hon. members of the issuing last week of a commemorative stamp to honour the 125th anniversary of the founding of Eaton's department stores by one of Huron—Bruce's favorite sons, Timothy Eaton.

Canada Post has issued a prestige booklet which includes stamps, photographs and a written text outlining the history of the T. Eaton Company.

Last week in London at the Galleria Eaton store there was a presentation of an enlarged commemorative stamp to the Kirkton—Woodham Community Centre and to Ray and Wendy Venturin, operators of the Kirkton market, the ancestor of Timothy Eaton's original business.

After coming to Canada in 1856 from his native Ireland, he settled and eventually opened his first store in the Huron—Bruce town of Kirkton, Ontario. In a small wooden cabin with his brother James, Timothy Eaton operated a small general store and post office.

Later Timothy Eaton left Kirkton for St. Mary's, Ontario, where he began a small dry goods store. In 1869 he headed for Toronto where he founded the store that eventually became the famous Eaton's chain, which prides itself on customer service, and quality merchandise for a good price.

* * *

[*Translation*]

FIGURE SKATING

Mr. Antoine Dubé (Lévis): Mr. Speaker, I am pleased to congratulate Elvis Stojko, Isabelle Brasseur and Lloyd Eisler on their dazzling wins at the World Figure Skating Championships in Chiba, Japan. Elvis Stojko, the 22-year-old Olympic silver medallist from Ontario, won the gold thanks to a nearly flawless program. He won the gold after competing with the best in the world.

S. O. 31

I also take this opportunity to point out the courage shown by Lloyd Eisler and Isabelle Brasseur, who won the silver medal at the same world championships in spite of a rib injury sustained by Isabelle Brasseur a few weeks ago. Congratulations to these athletes who make Canada and Quebec proud.

* * *

[English]

JUSTICE

Mrs. Jan Brown (Calgary Southeast): Mr. Speaker, tragic circumstances in my riding will now haunt a Calgary family forever.

A cold-blooded murder, apparently premeditated, tells a story that in Canada is becoming all too common. Something must be done as Canadians everywhere are demanding major criminal justice reforms.

The chairman of the justice committee stated on March 23 that the justice system should be more lenient toward first degree murderers. He suggested that the eligibility for parole be reduced from 25 years to 15.

My constituent died as a result of a shotgun blast to the back at point-blank range. Why should there be any leniency in a case like this? How can such a change, as suggested by the Liberals, make our streets safer?

It is time to strengthen parole mechanisms, not to weaken them. Despite what the Liberals want, I can categorically say that Canadians do not want leniency at this cost. Convicted killers indeed have a place: off our streets and behind bars.

* * *

HOCKEY

Mr. John Murphy (Annapolis Valley—Hants): Mr. Speaker, I rise today to resolve an ongoing controversy over the birthplace of hockey in this great country.

As documented by the Windsor Hockey Heritage Society, the game of hockey had its origins in Windsor, Nova Scotia in the early 1800s. It was first played by the students of Kings College School where it evolved from hurley, an Irish field game. In fact, hockey was played in Windsor for nearly a century before it was played in most other Canadian towns.

I am proud that in my riding of Annapolis Valley—Hants the Windsor Hockey Heritage Society continues to promote the history of this great game, both locally and across Canada. I would like to congratulate this organization for its dedication in preserving such an important part of our heritage.

ANNA PAQUIN

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, on behalf of the residents of the riding of St. Boniface, indeed on behalf of all Manitobans and Canadians, I rise today to salute and congratulate 11 year old Anna Paquin.

Miss Paquin was awarded an Academy Award this week for best supporting actress for her role in the movie *The Piano*.

Anna Paquin was only four years old when she left Winnipeg and according to her uncle, Dr. Wayne Paquin of St. Boniface, she was always "very precocious, very bright, very outgoing and very talented". Miss Paquin became the youngest Oscar winner since 10 year old Tatum O'Neil won in the same category for *Paper Moon* 20 years ago.

Anna's grandmother, Mrs. Agnes Tuckwell, watched with a great deal of pride from her St. Boniface home as her granddaughter made her way to the podium on Monday evening and with good reason.

Once again, I extend my warmest congratulations to Miss Paquin, to her grandmother and her family.

* * *

JURY DUTY

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, government should not speak out of both sides of its mouth. A case in point is jury duty.

Unless excused for a very good reason Canadians when asked are obliged to do jury duty. Most people do not complain because it is a service to our country.

But consider what happened to one of my constituents. She was on unemployment insurance when called to jury duty. She met her obligation but discovered later she lost her UI benefits while serving as a juror. What we have here is one department of government ordering a citizen to carry out her duties to Canada while another department penalizes her for doing so.

(1105)

That is government speaking out of both sides of its mouth. Is this hypocrisy? Is the law an ass? The verdict surely is guilty on both counts.

* * *

[Translation]

UNEMPLOYMENT INSURANCE

Mr. Maurice Bernier (Mégantic—Compton—Stanstead): Mr. Speaker, the recent Liberal budget cut unemployment insurance benefits by \$2.4 billion, \$630 million of which comes directly from the Maritimes.

Demonstrators took to the streets to protest these inordinate cuts in a region hard hit by unemployment. Three large de-

S. O. 31

monstrations were held in Shippagan, in Bathurst and, just yesterday, in Sydney where over 1,500 protesters burned the Prime Minister, the Minister of Finance and the Minister of Transport in effigy.

Meanwhile, none of the 31 Liberal members from the Maritimes had the courage to denounce this situation. Did they forget those who elected them? Did they forget their first duty is to be loyal to their constituents? This new version of the Silence of the Lambs must be denounced.

* * *

[*English*]

ELVIS STOJKO

Mr. Ed Harper (Simcoe Centre): Mr. Speaker, I rise in the House today to pay tribute to Elvis Stojko for his tremendous performance last night in winning a gold medal for Canada.

Some hon. members: Hear, hear.

Mr. Harper (Simcoe Centre): This native of Richmond Hill, Ontario is a perfect example of what can be achieved through hard work and dedication.

There is a special feeling of pride in my riding since Elvis trains in Barrie at the Mariposa Figure Skating School under coach Doug Lee. No one attains a world championship without years of dedication and the support of family and friends.

I am sure all members will join me in paying tribute to this outstanding young Canadian.

* * *

AGRICULTURE

Mr. Wayne Easter (Malpeque): Mr. Speaker, the standing committee on agriculture has just completed hearings on whether to allow the use of BST in Canada. The entire committee process was conducted in public and open session, including the work on the recommendations and final report.

The work of the committee has confirmed the new role of parliamentary committees promised by our party during the last election. The decision to examine the BST issue, which one witness described as unprecedented attention to a veterinarian drug, was taken collectively by the committee.

Throughout the process members of the committee worked in a spirit of co-operation and commitment toward achieving a consensus report which will soon be tabled in the House.

Once the committee report is tabled it will be up to the government to respond with the appropriate legislation to implement the moratorium called for by that committee. I would hope that same spirit continues.

In that sense of co-operation, with a name like mine, I want to wish everyone in the House and everyone associated with it a very happy Easter.

* * *

FETAL ALCOHOL SYNDROME

Mrs. Anna Terrana (Vancouver East): Mr. Speaker, Ms. Dawn Gardner is a Saskatchewan health journalist who is concerned about alcohol abuse on the part of pregnant women.

Fetal alcohol syndrome is defined as a random pattern of mental, physical and behavioural defects which may develop in the unborn child when the mother consumes alcohol during the course of her pregnancy. A pregnant woman never drinks alone.

Canadian estimates of children affected by fetal alcohol syndrome are over 36,000 yearly. These statistics tell us that over 50 per cent of these children become wards of the state. The same percentage will need corrective surgeries while many will suffer from blindness, deafness, epilepsy and most frequently mental retardation.

The government must take some responsibility for this situation and make sure that measures are taken to educate people by labelling all bottles of alcohol, posting signs, introducing health programs in the schools, et cetera.

Our youth is our future. Our children are the leaders of tomorrow. Let us spare them.

A happy Easter to you, Mr. Speaker.

* * *

PARLIAMENTARY ASSOCIATIONS

Mr. John Bryden (Hamilton—Wentworth): Mr. Speaker, I would like to draw your attention to an overseas exchange program that has proved to be of immense value to the country. I speak of the House of Commons parliamentary associations which enable parliamentarians from other countries to visit Canada and Canadian MPs to visit them. It is thus that we cement the ties of democracy while building lines of communication for international trade.

Therefore, I would hope that the House would acknowledge those MPs who are taking part in these very important organizations, especially the anglophone members who have joined the French speaking associations and the francophone members who have joined the English speaking associations.

(1110)

It is when these members go abroad to France, to Europe, the Commonwealth that we show the world we are indeed a united Canada.

S. O. 31

[*Translation*]

FRANCOPHONE AND ACADIAN MINORITIES

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies): Mr. Speaker, the income gap between francophones and anglophones, which keeps widening, is partly due to the fact that francophone minorities in Canada do not have management control of their elementary and secondary schools. This opinion is also shared by the hon. member for Ottawa—Vanier. After thirty years of futile struggle, half of the Franco-Ontarian students still attend English schools, and their parents are getting poorer every year.

Yesterday, in this House, the Minister of Canadian Heritage reiterated the government's intention to reestablish the Court Challenges Program.

Francophone and Acadian minorities in Canada do not need federal subsidies to pay for their lawyers. The Supreme Court has already confirmed their rights. These minorities need the same degree of generosity displayed by Quebecers toward their anglophone minority, which includes fair financing of their schools as well as control of these schools.

* * *

[*English*]

JUSTICE

Mr. Ian McClelland (Edmonton Southwest): Mr. Speaker, members will know that just this past Tuesday hundreds of peace officers from across Canada gathered in Ottawa to dedicate a pavilion in memory of Canadian peace officers killed in the line of duty. The pavilion is 100 yards from this place.

I met with three widows of slain policemen. With tears in their eyes, they asked me to use my influence to repeal section 745 of the Criminal Code, a loophole that lets convicted murderers out of jail after just 15 years.

In 1971, the Liberal Solicitor General said that rehabilitation is a priority of the criminal justice system and not the protection of society. Life means life.

When will Parliament's bleeding heart Liberals finally get in step with Canadians and put teeth in our criminal justice system? Protection of society must be the first priority of the criminal justice system. Life means life.

* * *

THE ECONOMY

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, it being the last day before the Easter break, it is time for a report card on the government.

House sales are up 14.3 per cent over the same period last year. Employment is up 66 per cent February over January. The

composite leading index is up .8 per cent for one month. Car and truck sales are up 12 per cent over the same period last year. Merchandise exports are up 13.1 per cent over the same period last year. Inflation is only .2 per cent.

Finally let me quote the Governor of the Bank of Canada who said that the signs show that strong foundations are being laid for a sustainable expansion to our economy.

This government deserves an A-plus.

* * *

SENIOR CITIZENS

Hon. Roger Simmons (Burin—St. George's): Mr. Speaker, our senior citizens are our most marvellous resource. They have made a great contribution to the country; whether it is risking their lives at war, building our infrastructure, designing our very enviable social safety net, preserving and transmitting our value system.

Everything we have, everything we are, everything we believe in, we owe to these men and women who are now seniors. Is it not time that we began to repay the debt we owe to these people, to begin watching out for those who have watched out for us for so long.

I am thinking particularly of the poor among them, the abused among them, the sick among them, the disabled. It is true that we have old age security and medicare, but it is time to go the extra mile, to reach out to those people really in need, those who want to stay in their homes, those who want to preserve and maintain their independence, those who want to live out their lives as they would choose to do it.

That is the challenge to us.

* * *

[*Translation*]

SEMAINE PROVINCIALE DU FRANÇAIS

Mrs. Pierrette Ringuette-Maltais (Madawaska—Victoria): Mr. Speaker, today marks the end of a very exciting week in New Brunswick. I am referring to the Semaine provinciale du français, which began last Monday under the theme "Fêter, c'est français", and concerns all of New Brunswick, that is both its French and English-speaking populations.

(1115)

All week, activities took place across the province to promote French in New Brunswick.

On Monday, I was at the Cité des jeunes, where I met lively young francophones from New Brunswick who strive to preserve the French fact in that province.

ORAL QUESTIONS

[Translation]

INTEREST RATES

Mr. Michel Gauthier (Roberval): Mr. Speaker, the downward slide of the Canadian dollar, coupled with the fact that interest rates appear to be on the increase, is cause for great concern. This disturbing situation comes at a time when the dollar has fallen to its lowest level in eight years.

For the consumer preparing to renew a \$100,000 mortgage, this could mean an increase of \$80 a month, just at a time when the largest number of real estate transactions are made.

My question is for the Minister of Finance. Does the Minister recognize that the downward slide of the Canadian dollar and the upward pressure on interest rates are largely attributable to the actions of Japanese investors who are divesting themselves in mass numbers of their Canadian securities?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, I appreciate the hon. member's question and the tone in which it was put. However, as you know, international markets are extremely volatile and it is really not the Minister of Finance's place to comment on the reasons why this is the case.

Mr. Michel Gauthier (Roberval): Mr. Speaker, does the minister recognize that the falling Canadian dollar, which has tumbled even further than the US dollar, and the reaction in Japanese financial circles are directly attributable to the failure on the part of the Finance Minister to introduce strong measures to control public spending?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, perhaps I could refer the hon. member to an article in yesterday's *Le Devoir* by Mr. Sansfaçon who lists the reasons why markets are nervous and gives his own views about the Canadian dollar. He notes that a survey of the vast majority of foreign stock exchanges and a review of their reports has revealed one clear fact, namely that the reasons for the uncertainty surrounding our currency obviously have nothing to do—and these are his own words—with the February 22 budget.

Mr. Michel Gauthier (Roberval): Mr. Speaker, does the Minister of Finance not agree that his strategy, which consists in shifting the deficit onto the backs of the provinces, is being judged very harshly by foreign markets and that this strategy is the direct cause of the problems which the Canadian dollar is currently experiencing?

Oral Questions

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, when we were in opposition, we made it very clear that shifting the burden of the federal debt onto the backs of the provincial governments was extremely harmful. That is why we did not take this kind of action in our budget. In fact, we did quite the opposite.

A month and a half before the budget, we adopted our equalization program which, I must say, is very beneficial to Quebec and to the seven provinces which receive equalization. This was a program that the previous government had neglected to ratify, preferring instead to merely extend its provisions. We have signed a five-year agreement and even Quebec has said that we have been generous. Moreover, when the time came to move on social security reform, we provided a two-year period of predictability with respect to payments and we have indicated that we will work with the provinces. And I must say that the provincial ministers of finance, including Mr. Bourbeau of Quebec, have reacted very positively to our actions.

* * *

(1120)

UNEMPLOYMENT INSURANCE

Mrs. Francine Lalonde (Mercier): Mr. Speaker, my question is for the Minister of Finance.

Confirmation was given to us yesterday that the poorest of the provinces, that is to say the Maritime provinces and Quebec, will be the hardest hit by unemployment insurance cuts. In Atlantic Canada and Quebec alone, cuts will total \$1.36 billion a year for the next two years. Furthermore, these cuts will cause a substantial increase in provincial expenditures for social assistance.

Will the Minister of Finance confirm the statement made by his colleague the Minister for Human Resources Development to the effect that only 3 per cent of UI recipients will be affected by reductions in benefit rates, which means that, in Quebec, 3 per cent of our unemployed work force will foot the \$735 million bill passed on to the provinces as a result of the minister's cuts?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, in terms of per capita UI benefits, Atlantic Canada will be receiving \$970 and Quebec \$739, as compared to a national average of \$575. Following these changes to the UI system, Atlantic Canada and Quebec will continue to receive much more than the national average. So, there is no basis for saying that they are hit harder.

Oral Questions

Mrs. Francine Lalonde (Mercier): Mr. Speaker, I am sure that this answer will sound incredibly cynical to all unemployed men and women in Quebec and the Maritimes, and the scale of the demonstrations held by people who are seeing more and more clearly what the government is up to should prompt him to act.

Here is my question. Is the Minister of Finance prepared to defer cutbacks in the unemployment insurance system at least long enough to put in place a real job creation strategy to help the jobless find work instead of forcing them onto welfare?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): I will answer the hon. member through you, Mr. Speaker. Our budget is a real job creation strategy. Atlantic Canada and Quebec stand to benefit the most, because these regions are unfortunately the most seriously affected by unemployment.

I must say that the rollback in unemployment insurance premium rates will benefit small business in Quebec and Atlantic Canada and thus foster job creation. I must say that our technology network will help small business, Atlantic Canada and Quebec. I must add that our budget will help those provinces where the unemployment situation is the most serious because it is designed to create jobs by calling upon one of their strengths, small and medium-sized businesses.

Allow me to quote this statistical data published today concerning Quebec. There are apparently real signs of an upward trend in employment in Quebec. This fact was confirmed by the Quebec manpower development agency. From August to January, the employment level in Quebec has grown by 51,000 jobs to 2,983,000, the highest level since October 1991. Last January, a net number of 23,000 jobs were created, as opposed to 13,000 lost in December.

* * *

[English]

THE ECONOMY

Mr. Elwin Hermanson (Kindersley—Lloydminster): Mr. Speaker, the dollar is falling, interest rates are rising, the government has stooped to writing its own report cards. Thank goodness it is Friday and thank goodness it is Easter break.

My question is for the Minister of Finance. Contrary to repeated assurances by the minister that he is not terribly concerned about interest rates, these rates continue to climb.

My purpose today is not to ask the minister why rates are climbing, whose fault it is or even whether he can do anything about it. My purpose is to get a straight answer to a specific direct question: Can the minister tell this House whether his

department has developed any contingency plan to meet its deficit reduction targets if interest rates continue to climb.

(1125)

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, we are on track for our deficit targets. We have built into our budget sufficient room to manoeuvre given the number of variables which well could affect our targets. Let me simply say to the member that we are going to hit our target.

Mr. Elwin Hermanson (Kindersley—Lloydminster): Mr. Speaker, not only are interest rates rising but the dollar is falling at a dramatic rate. The minister must realize that a falling dollar will increase the cost of imports and will inevitably cause inflation. The minister is counting on a low inflation economy and that is not a traditional characteristic of the Liberal government.

Can the minister tell the House if he has a strategy to maintain low inflation in Canada if imports begin to drive the inflation rate above 3 per cent?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, I know that this is not the case but the member seems to be almost rubbing his hands in glee at what is happening. I am sure that is not the case because all members in this House will seek the best for the Canadian economy.

An hon. member: Right on.

Mr. Martin (LaSalle—Émard): Before Christmas the Governor of the Bank of Canada and I sat down and set out our inflationary targets for the next five years. Those inflationary targets we did in a very short period of time, something that took the previous government two and one-half years to arrive at.

Those inflation targets are among the most disciplined of any of the industrial countries in the western world. They are a 1 to 3 target with mid-point 2. The Governor of the Bank of Canada testifying before the Senate the other day made it very clear that we are going to stay within those targets.

Mr. Elwin Hermanson (Kindersley—Lloydminster): Mr. Speaker, certainly this boasting that the budget is a great success may impress backbenchers but it has obviously failed impressing those who finance Canada's \$500 billion debt, namely taxpayers and investors.

For six weeks now the minister's promise of a strong medicine next year has been undermined by repeated statements by the Prime Minister that all cuts are already on the table.

In light of rising interest rates and the falling dollar, will the minister ask the Prime Minister to remove the handcuffs and

Oral Questions

allow him to use the only available solution to the problem, deeper cuts in public spending and a revised fiscal plan?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, I have heard the Prime Minister repeatedly within this House in response to questions from the other side say exactly what I said in the budget speech. That is that the cuts in our budget in and of themselves are sufficient for us to reach the 3 per cent of GDP target that we have within three years.

The Prime Minister has gone on to say that within the budget reference is made to the review of government operations which is going to be undertaken by the Minister responsible for Public Service Renewal in which we are rethinking the role of government, rethinking the way in which we approach the economy. That is an essential part of our budget and it is an essential part of our ultimate plan to clean up this nation's finances.

* * *

[Translation]

JOB CREATION

Mr. Jean-Guy Chrétien (Frontenac): Mr. Speaker, my question is also for the Minister of Finance.

At the end of February, Hydro-Québec received the go-ahead from the Quebec government to start construction on the Sainte-Marguerite project, in the Sept-Îles region, where unemployment is very high. At the time of this announcement, Quebec had obtained political assurances from Ottawa that the federal government would support the project. But failing federal permits, the construction of the dam, scheduled to start next week, may have to be postponed.

While he is doing little to create jobs, could the minister at least have the decency not to create difficulties for those who do and will he give us the assurance that the federal government will issue the permits required to allow Hydro-Québec to implement this project which does not interfere with the regular flow of the rivers and will create—

(1130)

Some hon. members: Put your question!

The Speaker: Order! The length of questions is becoming a little excessive. I would ask that questions and answers be shorter.

[English]

Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I thank the hon. member for his question.

When the government announced on February 24 that it had accepted the BAPE report on the Hydro Quebec project it also

indicated at that time that there would be certain steps taken before a permit was issued.

As the member should know, the environment must and will be protected. The Department of Transport is working very closely with the province and all other parties to finalize the permit. It has only been a month since the government has accepted the project. It will not be issued until all the pieces are in place.

I can assure the hon. member that yes, we are concerned that jobs are at stake and yes, we want the project to go ahead; but there are conditions to be met before the permit is issued and we are working relentlessly to make that happen.

[Translation]

Mr. Jean-Guy Chrétien (Frontenac): Mr. Speaker, this is a fine example of how cumbersome the federal system is. Will the Minister of Finance give us today the assurance that, by the end of next week, Quebec will have received the necessary authorizations so that work can start in an area where unemployment is running rampant?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal): On the contrary, Mr. Speaker. The negotiations that have taken place regarding the Sainte-Marguerite river are an excellent example of federal-provincial co-operation.

Complete agreement was achieved with the province with respect to project description, conduct and content. At present, a permit is to be issued by Transport Canada. Of course, this is a complex and detailed document and there are still a few pieces of information to be supplied by the Quebec government. The province assured us we would be getting this information shortly. It should be a matter of weeks before a permit is issued, given the full co-operation of the provincial government.

* * *

[English]

NATIONAL REVENUE

Mr. Ed Harper (Simcoe Centre): Mr. Speaker, my question is for the Minister of National Revenue.

According to a poll released yesterday by Peat Marwick Thorne, one in six Canadians now describe themselves as tax anarchists and feel tax cheaters should be applauded. The main reason given for the attitude was out of control government spending.

Will the minister agree a major step toward resolving this problem would be to cut spending and thereby encourage Canadians back into the mainstream economy?

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, the government and I want

Oral Questions

to acknowledge that the survey makes interesting points that we are taking quite seriously.

However we also want to point out that it is a snapshot. It does show changes in attitude over time. Therefore it would be difficult to draw certain conclusions, for example, that Canadians are either more or less disgruntled than at other times.

Mr. Ed Harper (Simcoe Centre): Mr. Speaker, I have a supplementary question.

The budget projects an overall growth in the economy to be 10 per cent over the next three years, but it projects 15 per cent growth in government revenue during the same period. These figures seem to imply that Canadians will be coming back into the economy rather than opting out of it or going underground.

In light of the growing underground economy identified by this poll, could the minister explain how the 15 per cent growth in revenue will be achieved?

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I believe I just stated that this survey does not allow us to draw certain conclusions and that is one. It is a snapshot in time.

The minister has consistently stated in the House that we are continuing to strengthen enforcement in all aspects of revenue collection.

* * *

(1135)

[Translation]

BIOVAC

Mrs. Monique Guay (Laurentides): Mr. Speaker, my question is for the Minister of Government Services.

In a surprising decision, the Minister of Supply and Services has terminated the contract under which the federal government buys influenza vaccines from BioVac, a subsidiary of Biochem Pharma and the only Canadian manufacturer of this type of vaccine. Curiously enough, after awarding only a one-year contract to BioVac for this vaccine, the government has now decided to award a new, five-year contract to an American manufacturer.

Why did the government decide to terminate its contract with BioVac and award a five-year contract to Connaught, when BioVac will put on the market within one or two years a revolutionary influenza vaccine costing only ten cents a dose? Is the minister determined at all costs to export Quebec high-tech jobs to the United States?

[English]

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I thank the hon. member

for her question. The paramount concern in all the deliberations must be and ought to be the health of Canadians, particularly young children.

Since 1973 the Government of Canada, in co-operation with the provinces, has been purchasing vaccines in bulk. No determination has been reached. The information the member has provided to the House is somewhat premature. No decisions have been made with regard to contracts which have been let. I am hopeful a decision will be made soon and I am hopeful we will have a Canadian solution to a Canadian problem.

[Translation]

Mrs. Monique Guay (Laurentides): Mr. Speaker, is the government, which claims to be so concerned about creating jobs, willing to review this shortsighted decision supporting a blatant case of dumping, since Connaught sells this vaccine for \$1.40 in Canada and \$3 in the United States?

[English]

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I say to the hon. member again that the paramount consideration is and must be the health of Canadians, particularly young children.

No decision has been consummated by the Government of Canada that has bought this vaccine on behalf of provinces since 1973. I want to assure the hon. member the allegations that are being suggested by her will be reviewed. Hopefully we can have a Canadian solution to a very serious Canadian problem.

* * *

JUSTICE

Mr. Jack Ramsay (Crowfoot): Mr. Speaker, my question is for the Minister of Justice and I begin by wishing him and his family a happy Easter.

However the chairman of the justice committee is widely quoted as saying that he believes convicted murderers like Clifford Olsen should not have to serve more than 15 years for their crimes. In fact the chairman of the justice committee believes the minimum murderers should serve is 10 years without parole.

Is the chairman of the justice committee articulating government policy, or is this merely a trial balloon on behalf of the justice minister?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada): Mr. Speaker, I am grateful to the hon. member for his expression of good wishes at this time of the year and I reciprocate them.

I have to respond very quickly to his suggestion about trial balloons. The chair of the justice committee is speaking for himself. The chair of that committee is one voice among that

very disparate group. The chair is perfectly entitled to express his own perspective on issues of the day.

For my own part I have already responded to that suggestion. I do not happen to agree with him, but I think the justice committee is just the place where that kind of discussion should occur. I am sure the justice committee is going to have all manner of controversial matters to deal with in the years to come and I look forward to that kind of discussion.

Mr. Jack Ramsay (Crowfoot): Mr. Speaker, yesterday the president of the Canadian Police Association, Neal Jessop, called for the removal of the chairman of the justice committee. Mr. Jessop said that his association could not work with the present chair, that he was out of step with public opinion and that he was an embarrassment to the government.

In the interest of swift and co-operative action on judicial reform, will the minister recommend to the Prime Minister that the chairman of the justice committee be replaced as soon as possible?

The Speaker: The hon. minister may wish to answer that question even though it does not deal directly with his responsibilities.

(1140)

Hon. Allan Rock (Minister of Justice and Attorney General of Canada): Mr. Speaker, may I take the opportunity to say to the hon. member and to the House that in so far as I am concerned the chair of the committee has my full confidence. If controversial positions or views were to disqualify us from holding positions many members would not be in the House.

As I said earlier, the fact of the matter is that the chair of that committee is entitled to express his view. He has done that and I see nothing out of order with that. He has my every confidence and I am sure he will stay on as chair of the committee.

* * *

[Translation]

TRADE

Mr. Stéphane Bergeron (Verchères): Mr. Speaker, the United States recently revived its trade "atomic bomb", its "Super 301". This measure, quite incompatible with the spirit and content of GATT and NAFTA regulations, is aimed at penalizing countries found guilty of trade practices deemed unfair by the United States. A list of such countries will appear in a few days in the *National Trade Estimates Report*, and Canada should be on it.

Under the circumstances, my question is for the Minister of Finance. Given the number of unresolved trade disputes between Canada and the United States, does the minister not think that the United States could use Super 301 against Canada, as it did in 1990 against Canadian beer?

Oral Questions

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade): Mr. Speaker, with Canada-U.S. trade registering over \$260 million a year, it is obvious that we will have trade disputes from time to time.

As far as Super 301 is concerned, senior Canadian officials have already conveyed our position on this issue to the United States. For now, we will continue to communicate with them in a positive way and we hope to reach a common solution.

Mr. Stéphane Bergeron (Verchères): Mr. Speaker, the GATT General Secretary and several European countries are concerned about the threats to the international community posed by the United States' aggressive unilateral measures. What concrete actions does the government intend to take to prevent Canadian industries from bearing the brunt of the Americans' measures against all their trading partners?

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade): First of all, Mr. Speaker, the Uruguay Round to be signed by April 15 will resolve many of the difficulties encountered from time to time. We hope that the international community will find ways to settle all trade disputes between countries in a positive fashion, by keeping the lines of communication open, encouraging dialogue and avoiding controversy between the United States, Japan and the other countries.

* * *

[English]

PUBLISHING INDUSTRY

Mr. Bob Wood (Nipissing): Mr. Speaker, I have a question for the Minister of Industry.

I would like to know what kind of support the government is giving to the publishing industry in Canada. Would the minister also give his impression of this particular support?

Hon. Michel Dupuy (Minister of Canadian Heritage): Mr. Speaker, I thank the hon. member for his question. The government considers that the publishing industry is a vital sector of the Canadian economy. I would add that I am also convinced the strong culture or strong identity of Canada could not do without a strong publishing industry.

This is why the Canadian publishing industry receives over \$120 million in government assistance every year or 5 per cent of the entire value of the industry.

* * *

BOARD OF REFEREES

Mr. Jim Gouk (Kootenay West—Revelstoke): Mr. Speaker, on March 11, I raised a question with the Minister of Human Resources Development regarding the Board of Referees in my riding, the failure of his office to deal with our inquiries and an

Oral Questions

apparent plan to appoint a wholly unqualified Liberal supporter as chairman of the board.

The minister assured me that if I provided details of the problem he would respond quickly. The same day I supplied the minister with a list of the number of calls made to his office and the persons who called. I also supplied the names of three highly qualified people recommended by community leaders to fill these positions. To date I have received no reply.

(1145)

When will we get action to re-establish this very important board in the riding?

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development): Mr. Speaker, the hon. member can rest assured that this government will only appoint people who are qualified to do their jobs. It is extremely important that we keep the confidence of the Canadian people. Every single appointment this government has made to date speaks to the fact that this government will only appoint people who are highly competent for the job at hand.

Mr. Jim Gouk (Kootenay West—Revelstoke): Mr. Speaker, the board of referees normally has two chairs but now is shut down because the government chose not to renew the term of the only current chair.

Will the minister agree to extend the term of Rocco Mastrobuono so that the board can continue to function, given the length of time the government seems to need to deal with this problem?

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development): Mr. Speaker, I will take that question under advisement. We will report to the member as soon as possible.

* * *

[Translation]

SOCIAL HOUSING

Mrs. Maud Debien (Laval East): Mr. Speaker, I would like to ask the Minister of Public Works a question. On February 24, the Minister of Public Works said in this House that the Canada Mortgage and Housing Corporation intended to save \$120 million over four years and that this amount would be used for social housing.

Since the minister promised to use this \$120 million to help the poorly housed, can he tell us how many social, co-operative and non-profit housing units will be built this year with these savings?

[English]

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I thank the member for her excellent question.

I apprise her that we are attempting to achieve greater savings than \$120 million over the next four years in view of the co-operation which is taking place between the Government of Canada and the different provinces. Until such time as we can identify for this fiscal year the amount of those savings it would be premature for me to announce on the floor of the House of Commons the exact way in which those expenditures are to be made.

I do want to assure the hon. member that we are consulting with the provinces. We will be consulting with various stakeholders across the country in order to try to achieve better value for the taxpayer's dollar.

[Translation]

Mrs. Maud Debien (Laval East): Mr. Speaker, in view of the information which the minister wishes to give us, even though we still lack quite a few details on this subject, I would like to know if he could also confirm that he intends to offer shelter assistance, that is, direct aid for tenants, instead of investing in collective housing projects like low-income housing and housing co-ops, in case he should change his mind.

[English]

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, it is not a matter of changing one's mind. It is a matter of getting the best value for the taxpayer's dollar.

All options will certainly be examined. There will be meaningful consultations with the provinces and various stakeholders. I want to assure the hon. member the suggestion she has made which seems to be coming not only from members of her party but also from other individuals in the province of Quebec and elsewhere is something my government and hopefully other governments will seriously consider.

I do not wish to raise false expectations that large sums of money will be readily available for that sector. However it is on the table. It is an option and we are considering it.

* * *

FISHERIES

Mr. John Cummins (Delta): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

Last Friday we complimented the Minister of the Environment on the proposed action on the *Irving Whale*.

We also suggested that a problem existed in the adjacent waters of Northumberland Strait. People who harvest lobster and other fish in these waters have expressed fears that the government appears prepared to agree to a proposal to discharge effluent from the Scott Maritimes mill via a two kilometre pipeline into spawning beds for lobster, scallops and other fish.

Oral Questions

What assurances can the minister give these people that their fishery will not be harmed by a proposed new treatment facility? Does this insurance include an EARP assessment of the facility, a commitment made in 1991 by the Department of Fisheries and Oceans and Environment Canada?

(1150)

Hon. Brian Tobin (Minister of Fisheries and Oceans): Mr. Speaker, I thank the member for Delta for giving notice of his question.

I want to assure the hon. member exactly as I have assured the member for Central Nova. Neither the Department of the Environment nor the Department of Fisheries and Oceans under section 35 of the Fisheries Act has yet completed a full and proper assessment of the proposal that has been put forward for the effluent diffuser into the Northumberland Strait. No such decision has been reached nor will it be reached until a full and proper assessment is done and until a full consultation occurs with the fishermen from that region.

Mr. John Cummins (Delta): I appreciate the minister's answer, Mr. Speaker, and recognize he is concerned about these environmental issues.

However government officials have suggested that the designation of the boat harbour treatment facility be changed to allow some pollutants in the effluent to be increased by as much as 800 per cent.

Can the minister assure this House that present effluent regulations will not be gutted to allow Scott Maritimes to increase pollutants by 800 per cent?

Hon. Brian Tobin (Minister of Fisheries and Oceans): Mr. Speaker, I have an obligation under section 35 of the Fisheries Act to protect habitat. That is an obligation I have in law.

This government has not hesitated to take the most difficult decisions in the name of conservation of habitat. This is the government that took the decision to close down a food fishery, a basic hook and line fishery, in the name of rebuilding critical cod stocks. Decisions, like those to not allow pollutants contrary to the Fisheries Act into critical spawning areas, would be easy for us to take.

This government will not compromise conservation of habitat for any reason. We have acted forcefully and we will continue to act forcefully in the interests of conservation.

* * *

PRESTON AND AREA DEVELOPMENT FUND

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the Minister responsible for the Atlantic Canada Opportunities Agency.

Recently there has been a lot of controversy over the future of the Preston and area development fund. This fund was established to address the real systemic obstacles to black entrepreneurs in Nova Scotia gaining working capital. The mandate of this particular program expires on March 31.

Is it the intention of the minister's department and his government to continue with this program? If not, will he be announcing a replacement program for black entrepreneurs in the Preston area in the near future?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I want to thank the hon. member for his unexpected question.

I assure the hon. member his analysis is correct. The fund will lapse on March 31, 1994. Through the efforts of the member himself as well as other community leaders we hope to be able to replace that particular structure and that fund in the foreseeable future in order to provide economic benefits to one of the most depressed areas of the province of Nova Scotia.

I want to thank the hon. member for his efforts in assisting the Atlantic Canada Opportunities Agency in that objective.

* * *

[Translation]

PUBLISHING INDUSTRY

Mrs. Suzanne Tremblay (Rimouski—Témiscouata): Mr. Speaker, my question is directed to the Minister of Canadian Heritage. The minister still refuses to order a public inquiry into the circumstances around the sale of Ginn Publishing to Paramount. The minister would rather refer the matter for consideration to the Standing Committee on Canadian Heritage. However, in this morning's *Globe and Mail*, we read that the minister's Liberal colleague, the chairman of this committee, has made it clear he does not want to conduct an inquiry into this controversial matter.

Does this mean that the Minister of Canadian Heritage suggested referring the matter to the Commons committee, while he knew perfectly well his colleagues would refuse to consider the matter, probably because they also sensed the government had something to hide?

Hon. Michel Dupuy (Minister of Canadian Heritage): Mr. Speaker, the government has absolutely nothing to hide. I am very pleased to see that hon. members on both sides of the House are capable of making up their own minds and making their views known in committee, and I accept their decision.

(1155)

Mrs. Suzanne Tremblay (Rimouski—Témiscouata): Mr. Speaker, since the minister is now aware of the fact that his colleagues have refused to examine this matter in committee, is he prepared to show his good faith and concern for transparency

Routine Proceedings

by reversing his decision and agreeing to order a public inquiry, since the Liberal majority on the Canadian Heritage Committee will not let us investigate the matter in committee?

Hon. Michel Dupuy (Minister of Canadian Heritage): Mr. Speaker, I think it would be advisable for me to consult my colleagues before making a decision, and I shall be delighted to do so.

* * *

[English]

HYUNDAI MOTOR COMPANY

Mr. Jim Silye (Calgary Centre): Mr. Speaker, my question is for the finance minister.

The federal government and the provincial government of Quebec have paid \$46.4 million in government grants to Hyundai motor company to assemble cars in Bromont, Quebec. I understand the finance minister plans to spend another \$32 million on this project in the name of job creation.

When is the finance minister and his government going to learn that regional development programs do not work, that injecting cash into the private sector distorts the marketplace and that these dollars ultimately dig our debt hole deeper? When will the finance minister learn something and stop wasting taxpayers' dollars on direct grants and subsidies to businesses?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, as has already been announced in this House, the respective ministers responsible for the development agencies, namely the minister responsible for ACOA, the minister responsible for western diversification and the minister responsible for FORD-Q, have all said the way in which regional development policies have been carried out in the past are certainly ineffective and really not in accordance with the needs of a modern economy.

As a result, all three ministers have said they are reviewing and in fact have either imposed or brought in substantial changes in the way government interacts with the economy.

Our position has been very clear on that and we are in the process of doing it. In fact a great deal of that is manifested in the budget and will be manifested in subsequent budgets to come.

In terms of the particular incident the member raises, first of all this agreement was signed prior to our taking office. It was also within the context of a larger overall agreement between Quebec and the federal government, as has been signed with many other governments. While there are numerous problems with that, we are going—

The Speaker: Order. The questions and the answers should be shorter. The hon. member for Calgary Centre for one final question.

Mr. Jim Silye (Calgary Centre): Mr. Speaker, has the finance minister and his government even asked why Hyundai closed its doors and why this project did not work, before pumping another \$32 billion of good taxpayers' money after bad? Does he know the answer?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Just to show you that I have learned my lesson, Mr. Speaker, yes we have asked those questions.

The Speaker: Colleagues, on two different occasions today I intervened in questions. I simply want to inform the House why.

When we have questions with regard to committees or chairman of committees, the ministers who would ordinarily be involved with those committees are not responsible for those committees. That is why I intervened on the two questions.

It being 12 o'clock, we will now proceed to the routine business of the day.

ROUTINE PROCEEDINGS

[English]

PUBLIC SERVICE EMPLOYMENT EQUITY

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure): Mr. Speaker, pursuant to subsection 2.4 of section 11 of the Financial Administration Act I am pleased to table, in both official languages, the first ever annual report of the President of the Treasury Board on the state of employment equity in the public service. This deals with the fiscal year 1992–93.

* * *

(1200)

WAYS AND MEANS

NOTICE OF MOTION

Hon. Douglas Peters (Secretary of State (International Financial Institutions)): Mr. Speaker, pursuant to Standing Order 83(1) I wish to table explanatory notes and a notice of a ways and means motion to amend the Excise Tax Act, and I ask that an order of the day be designated for consideration of the motion.

* * *

PUBLIC SERVICE

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure): Mr. Speaker, the first annual report on employment equity in the public service which I just tabled is a requirement of the Financial

Routine Proceedings

Administration Act as a result of amendments that were passed in December 1992 as part of the Public Service Reform Act.

I would like to remind hon. members of the important role—those who were of course in the last House will recognize this—that my parliamentary secretary, the hon. member for Ottawa West, played in ensuring that this report would be tabled in the House.

Indeed, when the act was in committee she introduced an amendment that the government of the day accepted and that became the section on employment equity in the Financial Administration Act.

In speaking in the committee the hon. member for Ottawa West said that the amendment represented a renewed commitment to some very positive action to ensure that people in the four designated groups are no longer denied opportunities to be whatever they are capable of being in the public service of this country.

[*Translation*]

To return to the annual report that I have tabled, I should note that the Treasury Board has been publishing employment equity data since 1988.

[*English*]

These information packages which were made available to the public, although not tabled in this Parliament, have provided useful information on the state of employment equity in the public service.

However, they did not show the range of positive initiatives and activities that the Treasury Board and the Public Service Commission together with departments had been taking to advance the goals of employment equity programs.

The annual report that I have just tabled tries to fill that gap. As the act states, the purpose of employment equity programs and policies in the public service is to improve employment and career opportunities for four designated groups. They are women, particularly women in non-traditional and executive positions, aboriginal peoples, persons with disabilities and, finally, persons who because of their race or colour are in a visible minority.

How are we to achieve this result: By eliminating employment barriers against persons in designated groups; by introducing and supporting, as the legislation requires, positive policies and practices; and by trying to ensure that persons in designated groups are represented in the public service in proportion to their representation in the workforce of this country and of the particular communities they serve in. However, focusing on the number of designated group members in the public service is not enough. Public service managers and employees must value diversity and must show it consistently through their actions.

At this time I want to reiterate the government's commitment to employment equity and specifically its commitment to employment equity in the public service. It was in the red book, we made that point and we stick by it.

The numerical goal of employment equity may be more difficult to achieve in times when the public service has stopped growing. However, let me assure hon. members that the employment equity program is a high priority of this government and that we will do everything possible to ensure that its goals are met.

[*Translation*]

For example, just three months ago, we made a lot of changes to the Special Measures Program that was put in place by a Liberal government in 1983.

[*English*]

The report does not provide details of these revisions because it covers the period April 1, 1992 to March 31, 1993 which is before we came into office. However, I would like to inform the House that the Treasury Board has approved funding for a restructured special measures initiative program which will provide for pilot projects co-funded with departments that help increase our employment equity opportunities.

One of these initiatives aims to improve, for example, employment opportunities for persons with disabilities in the public service.

(1205)

As of April 1, 1994, I am pleased to announce that a special fund of \$500,000 will be created to assist employees with disabilities. This is replacing a program that was a mere \$40,000 I might add. This assistance includes attendant care, modifications to computer equipment, materials and alternative formats and special telephone equipment.

Second, retention of aboriginal employees is of concern to the government. The Treasury Board is developing a guide for managers to help them create a work environment that will encourage aboriginal employees to join and to remain in the public service.

Furthermore, an executive development program for persons in a visible minority is being extended. Of course the recruitment program for visible minorities is also being continued.

The progress of women in the public service has been steady and we shall be putting more emphasis on the development of opportunities for women in the public service.

Courses on cultural awareness and diversity in the workforce are widely available to both public service managers and employees who are encouraged to take such training. It is important to set the right atmosphere in our public service and that kind of program helps a great deal.

Routine Proceedings

Finally, the Financial Administration Act requires the Treasury Board to prepare annual employment equity plans. All departments and agencies are required to have employment equity plans ready by this coming April 1, 1994. Anyone interested may obtain copies of the plans from departments and agencies.

I also invite members of this House to make suggestions on how, since this is our first report, we might improve the annual report on employment equity.

[Translation]

Mr. René Laurin (Joliette): Mr. Speaker, first I want thank the hon. minister for tabling his report, although we have been waiting for it since June 30, 1992, in accordance with the Public Service Reform Act.

This document highlights, among other things, the representation profile of designated groups in the public service. It also provides the evolution of this profile from December 1988 to March 1993. It shows that, during those five years, female representation in the public service only increased by 3.2 per cent; aboriginal groups by 0.3 per cent; handicapped people by 0.4 per cent; and visible minorities by 0.9 per cent. In other words, the representation of designated groups barely changed over the last five years.

In its red book, the Liberal government stated its intention of doing something for these designated groups. Yet, the Employment Equity Act still does not apply to the public service, nor to federal commissions or agencies. What did the government do in the light of these findings and policy statements?

Today, the government announced pilot projects for the restructuring of special measures programs. It announced the creation of a special \$500,000 fund for handicapped people which, divided by ten provinces, barely represents \$50,000 for each province. There is certainly nothing extraordinary about this initiative.

The government also announced a development program for visible minorities which, for all intent and purposes, was already in place. Consequently, this is merely a measure ensuring the *status quo*. In the case of women, whose representation only increased by 3 per cent over the last five years, which means barely 0.6 per cent per year, the government announced development initiatives for administrative support positions.

(1210)

There seems to be a significant gap between the government's avowed intentions, or at least its stated intentions, and the measures actually taken to correct the situation. Just to give you an idea of how inconsistent the government is, on the one hand it announces measures which will have a very limited effect while, on the other hand, it is going to court to challenge representations made by the Public Service Alliance of Canada in favour of

pay equity. Moreover, the government tabled Bill C-17, which freezes salaries in the public service, prevents a reform of salary scales, blocks a reform of job classification, and also delays wage parity and prevents it for the time being.

What will be the real impact of Bill C-17 on the reclassification of groups of employees? What concrete measures is the government taking to ensure that the salary freeze will not jeopardize negotiations on wage parity? There is a gap between the government's stated intentions, the low-impact measures it advocates, and the real problem of pay equity in the public service. That gap has not been closed and nothing leads us to believe that it will be closed in the coming weeks or years.

I will conclude by saying that the tabling of this report highlights the obvious contradictions between the government's real intentions and the weak measures it is taking to correct the situation. The government would be well advised to state its real intentions quickly, so that those affected can have some hope and confidence. After all, some have been waiting since the 1980s to improve their plight, and they have to have some hope that things will finally improve.

[English]

Mr. Ian McClelland (Edmonton Southwest): Mr. Speaker, this employment equity in the public service targets four designated groups: women, aboriginal peoples, persons with disabilities and visible minorities. It covers people in the federal public service and other sectors under the public influence such as banks of federal charter and certain businesses that do business with the government.

In so far as the employment equity in the public service has as its primary goals, one, the removal of barriers to employment and, second, to encourage and support those in the designated groups to apply for advancement, then we endorse these activities and we applaud the public service for taking a leadership role.

However, we would caution that it is one thing to remove barriers to provide encouragement and quite another to promote or hire because of ethnic or gender considerations. I would caution the public service not to practise reverse discrimination.

As to persons with disabilities, the Standing Committee on Human Rights and the Status of Disabled Persons tabled a report last year. That report clearly indicates that a primary barrier to employment of persons with disabilities is a catch-22 situation. That is when persons with disabilities get a job and gain income from employment they do so very often at the expense of the very benefits they have been receiving that allowed them to get the job in the first place.

This is an area that we already know the answer to which is one of taxation. The standing committee brought the report forward and it should be reviewed by the employment equity people.

Routine Proceedings

HUMAN RESOURCES DEVELOPMENT

Our position is that emphasis must be on individual achievement. Employers must treat people as individuals in all aspects of recruitment, training, hiring and promotion. The emphasis must be on the individual's experience, ability and performance. Putting the emphasis on individuals will ensure that women, racial minorities, aboriginals and the disabled are not held back by stereotypes or other discrimination.

(1215)

Finally, there may well be those in the identified groups who need a helping hand and they should be encouraged. It is quite right that the public service would have this body to do just that, to encourage and to ensure that barriers do not exist.

However we should recognize that the vast majority of women, visible minorities, aboriginals and the disabled would resent being categorized as somehow disadvantaged and unable to compete on their own merit. That is something that needs to be understood, that many people have made tremendous strides in their achievements. They have done so and will continue to do so on their own merit, not because they have benefited by some special program.

We are, all of us, human beings with the same strengths, weaknesses, hopes and dreams as everyone else regardless of our defining characteristics.

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I have the honour to present the 13th report of the Standing Committee on Procedure and House Affairs.

Your committee has considered Bill C-18, an act to suspend the operation of the Electoral Boundaries Readjustment Act and has agreed to report it without amendment.

I also have the honour to present the 14th report of the said committee on the membership of the various standing committees.

If the House gives its consent, I intend to move concurrence in the 14th report later this day and I would ask for the consent of the House to dispense with the reading of the report.

The Deputy Speaker: Is there unanimous consent among the members to dispense with the reading of the report?

Some hon. members: Agreed.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I have the honour to present, in both official languages, the first report of the Standing Committee on Human Resources Development.

[*Translation*]

Pursuant to the order of reference of February 8, 1994, your committee has considered the modernization and restructuring of Canada's social security system.

[*English*]

This interim report represents the first phase of your committee's consultation with Canadians on the modernization of Canada's social security system.

Your committee is already preparing its second phase of consultation in anticipation of the release by the Minister of Human Resources Development of the government's action plan and proposed changes.

In conformity with the House's reference on February 8, it is your committee's intention to table its final report with recommendations on or before September 30.

[*Translation*]

I want to thank most sincerely all members and staff of the committee as well as the hundreds of Canadians who have contributed to that phase of our work.

Mrs. Francine Lalonde (Mercier): Mr. Speaker, I would like to say that the Bloc Quebecois, the Official Opposition, is tabling a dissenting report that the Standing Committee on Human Resources Development has agreed to append to the majority report.

I would like to point out that the time frame set by the House in the committee's terms of reference is much too short to fulfil the obligation to consult all Canadians, in spite of outstanding and strenuous efforts on the part of the entire committee.

There is one major flaw in the report and it pertains to the respective responsibilities of Canada and the provinces. You will understand that this is a fundamental question, for Quebec in particular. In our view, this matter was dealt with much too quickly in the relevant section of the report for it to be acceptable. In the second phase of our work, we will give this matter all the consideration and attention it warrants.

* * *

(1220)

[*English*]

RAILWAY SAFETY ACT

Hon. Douglas Peters (for the Minister of Transport) moved for leave to introduce Bill C-21, an act to amend the Railway Safety Act.

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

*Routine Proceedings***DIVORCE ACT**

Mrs. Daphne Jennings (Mission—Coquitlam) moved for leave to introduce Bill C-232, an act to amend the Divorce Act (granting of access to, or custody of, a child to a grandparent).

She said: Mr. Speaker, I move, seconded by my hon. friend from Nepean, for leave to introduce a private member's bill, an act to amend the Divorce Act, by granting access to, or custody of, a child to a grandparent.

In this year of the family it seems appropriate to recognize in statute the rights of grandparents to have access to their grandchildren or to be able to be informed of their well-being should the parents of the grandchild divorce.

At present the Divorce Act overlooks the rights of grandparents and this bill, should it become law, would put these rights squarely before the judge in the divorce matter so they will be taken into consideration when a divorce decree is granted.

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

* * *

[*Translation*]

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I move:

That the fourteenth report of the Standing Committee on Procedure and House Affairs presented to the House today be concurred in.

(Motion agreed to.)

[*English*]

Mr. Hermanson: On a point of order, Mr. Speaker. Which report is that?

The Deputy Speaker: The 14th report.

FINANCE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I would also move:

That up to 10 members of the Standing Committee on Finance and up to 10 staff be authorized to travel to Toronto, Winnipeg, Regina, Edmonton and Vancouver between April 10 and 16, 1994 and up to 10 members of the said committee and up to 10 staff be authorized to travel to Quebec, Fredericton, Halifax, St. John's and Charlottetown between April 17 and 22, 1994.

(Motion agreed to.)

(1225)

[*Translation*]

PETITIONS

TAXATION

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, these petitioners ask for an overhaul of the Canadian tax system. They would like special attention to be given to spouses. Often wives stay at home to raise their family, so that those who have children with special problems, often called handicapped, face significant challenges.

[*English*]

The petitioners would like the government to look at the system of taxation in Canada and pay particular attention to people who stay at home, very often without choice, to raise their children.

They feel the system is not as sensitive as it should be to that situation, particularly when there are children with special difficulties that need to be retained in the home or go to special facilities.

VIOLENT CRIME

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, I would like to add these petitions and the thousands of signatures to the over 2.5 million signatures that I have already presented in the House in the last two years.

The petitioners feel there are serious deficiencies in the criminal justice system, that there are many vulnerable persons who have little protection under the current system; women, children and disabled persons are at particular risk.

The petitioners request that Parliament recognize that crimes of violence against the person are serious and abhorrent to society and amend the Criminal Code of Canada, the Bail Reform Act of 1972 and the Parole Act accordingly.

HOUSE OF COMMONS

Mr. George S. Rideout (Moncton): Mr. Speaker, pursuant to Standing Order 36, it is my pleasure to introduce a petition dealing with the prayer in this House.

I realize that we have already dealt with it but it is my obligation to present all petitions which are in proper form. I believe as well the response may correct some of the misinformation being distributed by the member for Saint John.

* * *

QUESTIONS ON THE ORDER PAPER

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

Government Orders

The Deputy Speaker: Shall all questions stand?

Some hon. members: Agreed.

[*Translation*]

The Deputy Speaker I wish to inform the House that in view of the ministerial statement, the time allotted to government orders will be extended 16 minutes, pursuant to Standing Order 32(2)(b).

GOVERNMENT ORDERS

[*Translation*]

BUDGET IMPLEMENTATION ACT, 1994

The House resumed consideration of the motion.

The Deputy Speaker: I should mention that the hon. member for Mercier told me that she had to leave and that she had completed her remarks. I must point out to the members of the Official Opposition that the amendment moved by the member for Mercier is in order and there is no procedural problem. In short, the amendment is acceptable.

[*English*]

Mr. Stephen Harper (Calgary West): Mr. Speaker, I rise today to speak on Bill C-17, the omnibus bill on the implementation of a number of measures in the recent budget. I am doing so on behalf of the hon. member for Lethbridge who is unable to be here. He has asked me to make a few comments on the general orientation of our caucus toward the bill and some of the measures in it. I will also take some time to comment further to that on some of our specific concerns with regard to the sections on transfer payments to the provinces, the area for which I am specifically responsible in the bill.

(1230)

Before doing so I would like to take a moment to draw to the attention of the House that Ernest Manning High School in the south part of my constituency of Calgary West has been holding a model parliament this week where they are debating many of the same things. I had been scheduled to attend their model parliament today but due to this commitment and other commitments particularly with regard to Bill C-18 and the committee hearings we had last night, I was unable to depart Ottawa.

I have had the honour on many occasions in the past to attend model parliaments at Ernest Manning High School. If my experience is any example, I am sure the students would have much to recommend to the House in terms of not only the informed level of debate but also the democratic procedures that are in place in that particular parliament.

Having said that, let me move to Bill C-17. As I indicated in earlier remarks today when we were discussing a point of procedural order, our party would be opposed to this kind of measure, to an omnibus approach to government legislation. In

my remarks today, specifically to start with, I will deal with the five general parts of the bill: part I which applies to public sector compensation considerations; part II, the cuts in the Canada Assistance Plan and PUITTA transfers; part III, the reductions in transportation subsidies of various kinds; part IV, the authorization of borrowing authority for the Canadian Broadcasting Corporation; and finally part V, the significant changes to unemployment insurance.

Our party has mixed views on these various items. It is unfortunate that the nature of the legislation itself would not allow us to independently support some of the more desirable aspects of the bill, at least at the voting phases.

In part I, public sector compensation, the effect of the measure as in the budget is to extend wage freezes that have been in place now to the end of 1997, saving the government up to \$1.5 billion over the next three years. In the zero in three deficit reduction program Reformers ran on during the election, we supported general reductions to the costs of the federal bureaucracy, the civil service, and to some degree civil service compensation, although certainly we would prefer to see most of the savings in the public sector concentrated on non-wage overheads.

However it has been our experience that in the private sector—and, as members know, my area in particular is dominated by private sector activity—a general lack of raises in private sector wages has been the norm for several years now and downsizing in many organizations has been commonplace. In comparison, the public sector has been relatively lightly affected by the ongoing recessionary problems that we believe ultimately originate in the public sector through not only the expenditure practices of governments but also their taxation policies and taxation responses to deficit situations.

Public sector compensation has continued to remain generous during this period and downsizing relatively light compared to that experienced in many other areas of our society. It is only justified that the public sector would experience these kinds of wage freezes during the period in question.

(1235)

I hope the committee will examine some of the specific measures and some of the broadness of the wage freezes which are actually very rigid across categories and do occasionally lead to some inequities or incongruities in application. There may be some specific things the committee could do to examine, while not violating the principle of freezing the overall wage bill, whether any more flexibility could be given.

We also would like to support the one-time adjustments involved in government policy for relocation and incentive payments to workers who are being displaced from the public sector, particularly in the military area. There may be disagreement with the specific programs proposed, but I think no one questions the principle that there is a need to provide interim relief to those affected by government cutbacks. In particular we compliment the government for beginning to encourage the use of these funds toward retraining and relocation rather than just

Government Orders

payments that encourage recipients to welfare when adjustment payments run out.

We strongly support the freezes we are applying to ourselves in line with this, freezes to senior people in government and to members of Parliament. We would also take this opportunity to urge the government once more to make substantial cuts in benefit related areas to members of Parliament that are out of line with standards the public expects.

I refer specifically to the MP pension plan. Even the contribution levels of members of Parliament to that plan exceed normal contribution to a plan. On top of that, the government is now matching our contributions on a six to one basis to preserve the soundness of the plan over the long haul.

This simply cannot be justified at this time. I call on the government once again to bring in serious measures to cut back the benefit of this plan. It should ensure that the tremendous liabilities which have built up are not simply the responsibility of the taxpayer and that some of the current recipients who quite unjustifiably and quite irresponsibly voted themselves this kind of defined benefit also share in the reduction of the costs of the plan over the long run.

In addition I raise the concern we have in this party about non-accountable expense allowances being used as supplementary pay. These allowances are substantial. I receive a cheque of \$3,000 a month for my work here but then I receive an extra \$1,775 for an expense allowance for which I do not have to account. I have absolutely no problem in saying that my expenses as a member of Parliament are high and I will account for them. However I know the total value of that particular money plus the additional expense accounts in our operating budgets exceeds the expenses I incur. I am certain they exceed the expenses incurred by members who live much closer to Ottawa. That is something the House should re-examine while it is looking at the compensation of ordinary public sector workers.

Part II of the bill concerns reductions in transfer payments to the provinces, specifically in the area of the Canada Assistance Plan and the public utilities income tax transfer arrangements. I will not comment on those at great length here because I want to do so when I am finished my more general remarks. Let me just say in summary that these measures in many ways are an extension of some existing policies of government.

Nevertheless we have concerns. We do support the fact—and we said during the campaign that the government was realizing it—that transfer payments to the provinces are substantial and will be affected by any kind of long term deficit reduction plan. We are seeing the government do that. Nevertheless it is doing it without a plan. We have some specific concerns with some of the

proposals here and where exactly they are going. I will discuss that in a few minutes.

Part III of the bill concerns reduction in transportation subsidies extending and deepening some reductions in the area of subsidies both to Atlantic sectors and to western grain sectors of our economy. During the campaign our party had called for a general reduction in money spent in the area of subsidies to transportation.

(1240)

We would prefer rolling together all grain transportation moneys for farmers along with other agricultural programs into a series of two or three programs. That would basically have the effect of giving individual farmers much more choice in how they utilize government assistance, particularly in the area of the type of transportation and the methods of transportation chosen to move their product. That is the direction in which we would like to go.

We emphasize, though, that we only support the continuation of these subsidies as long as there is not an equal playing field with regard to the farm situation internationally. We favour a multilateral approach through the GATT to reducing these international subsidies. In line with that we would see our subsidies drop as well.

I note that this question came up once before in the House of Commons. The government insisted that was everyone's position but of course it is not. There are people in this country and particularly in other countries who are opposed in principle to any kind of reduction in this area. We will not sacrifice our farm sector when other farm sectors are not experiencing similar reductions.

Part IV of the bill, as I indicated, is the part that perhaps gives us the greatest difficulty. The Canadian Broadcasting Corporation is being given its own borrowing authority for the first time in its history in the magnitude of \$25 million. This is a thinly veiled attempt to give the CBC more money without increasing its direct grants. We have already seen the government restructure the downsizing, the subsidy reduction program to the CBC, and spread it over a number of years to allow it to be less costly to the broadcasting corporation and more costly to taxpayers.

What assurances do we have that in next year's request for moneys the CBC will not include the increased costs of paying back these loans as yet another financial need? In other words it could be a backdoor way for the CBC to get increased funding once again.

In our view there will have to be a thorough examination of whether we support a large or small reduction to the budget of the Canadian Broadcasting Corporation, a significant re-evaluation of its role and its mandate. Particularly as technology

Government Orders

advances and we see these tremendous changes in the world, we recognize that the CBC will have to be re-examined.

Whether or not the government likes it, shortly we will have the choice of hundreds of television stations for ordinary viewers. The CBC will be in a very different position than what it was when this kind of policy was first brought on to the stage. In recent years the CBC with this borrowing authority has been increasingly forced, like it or not, to compete, to go out into the market to raise revenues.

With the implied backing directly or indirectly of the Government of Canada, it is crowding out the efforts of private advertisers and private investors to fund their own activities, their own borrowing and expansion requirements, at a time where money is very tight in the markets. The complaint I hear constantly from people in the radio and television business, not only in Calgary but in other cities where I visit, is that the CBC is not on a level playing field.

It is a very tight and very competitive business right now. We know that a large percentage of private radio stations, for example, have gone out of business in the past several years. This is not the kind of competition they look upon favourably.

We need to decide whether CBC should be strictly a medium to promote and produce Canadian television or whether it is a market player just like other stations. If so, does it compete on a level basis or does it have an unfair advantage? Before we extend this kind of borrowing authority we should be asking what mechanisms are in place to ensure the investments made by borrowing this money are profitable. Ultimately the CBC is fully supported by the Government of Canada and may lack the necessary incentives to invest prudently.

(1245)

Part V of the bill concerns the government's changes to unemployment insurance. As I have said in previous speeches on the budget, these are the most significant changes in the bill and we certainly support the general direction the government is taking.

In the second year of implementation of these changes, we will be saving the taxpayers in the order of \$2.4 billion. This is a significant amount of money. It is certainly the most significant expenditure reduction in the budget. It is also a very significant reduction not just for the money saved but for the direction the government now appears to be mapping in this area which is very much along the lines of what Reformers have been advocating for a number of years.

These changes are an important signal to the marketplace. The government is hinging a great deal of faith on holding its budget through the first year to try to keep things on track, convincing the marketplace that this is the direction it is looking at and that

it is looking at only less costly social programs in the future but much more responsibly structured ones.

It hopes the marketplace will buy this signal even though it is really the sole big dollar application in the budget and will be able to hold off any kind of precipitous developments in the financial markets toward the dollar and toward the Government of Canada in the next year.

As I said in my speech on the budget, that is the gamble the government has taken. I would note that except for this measure, the will is not in this budget. It is very unclear at the moment with the problems we have with interest rates and the dollar that the market is accepting this signal as the real direction of the government.

Let me mention the good things in this development with unemployment insurance. There are several. First, it shows the government is moving in a good direction by not only reducing expenditure but also reducing payroll taxes.

What is interesting is that the government claims reducing the payroll tax is one of the centrepieces of its job creation program. It is nice for us to see that the Liberals are acknowledging that decreases in these types of taxes are a real solution to the job creation problem and to the unemployment dilemma we have in the country. Certainly it is a more effective approach than things like the infrastructure program, an approach we hope they will expand in the future. We need to stimulate through tax relief sustainable private sector job creation. That really should be the focus of our economic strategy.

The second desirable point about this is that the change proposed by the government to unemployment insurance is making the program more of a true insurance program rather than simply a haven for seasonal workers to top up their income, in other words, an income support program.

The long run drift of the unemployment insurance program from insurance principles has been extremely costly in the number of dollars spent but also many economists would agree it has had a lot to do with the increase in structural unemployment and the distortion of the regional economies.

Through the changes the government is proposing in the bill and in the budget, it is taking us down the path of linking through contributory programs like UI, contributions to the program much closer to the benefits that one is eligible to receive. Of course that is really the justification on which such contributory programs should operate.

The third point in the government's proposed changes to unemployment insurance is that it is good to see the Liberals slowly crumbling their mantra of universality. I have already noted that while the government has attacked us on our proposed changes in these areas, for example changes to seniors' programs, the government itself has taken absolutely no steps to restore the clawback to old age security which it fought when it

Government Orders

was in opposition. In fact it has gone additionally in that area. It has now imposed means testing on some of the tax benefits to senior citizens. This is another example of getting away from universality. We could disagree with the specific mechanism but the drift is definitely there. In the case of unemployment insurance there has been an increase in benefits for lower income Canadians under some circumstances and a decrease for others.

(1250)

The government is moving in all of these directions, and I repeat them: the reduction of payroll taxes, the return to a link between contribution and benefit in unemployment insurance, in other words, insurance principles and finally a move toward some targeting in this program and away from universality.

These are all positive aspects in our view. I also acknowledge they were difficult decisions. The changes will be significant for the people affected and this particular decision I am sure will not be an easy one for the government although it will have our support. I regret it is one of a very few difficult decisions contained in the budget.

I want to express one reservation. There is also a change which gives employees the benefit of the doubt when dismissed for misconduct. In our view it has the potential of encouraging employees to dispute all dismissals in the hope of collecting premiums. This could clog up the system and result in increased claims. We hope the government in committee will examine the direction it is going although I would acknowledge that some of the things the previous government did in that area were questionable.

Finally, we also acknowledge the need for the pilot projects that are part of the bill and we urge the government to keep the House current on the spending of this money and to report to the House evaluations of the success of these kinds of projects. Too often in the past we announce initiatives for the sake of lessening the impact of unpopular measures. These continue permanently, they are never properly evaluated and they end up being simply a way that we mitigate the effect of having tried to save money in the first place.

Having said those things, I regret we are unable to support the bill over all. There are many things we do support but do not support the bill over all because of its omnibus nature.

[Translation]

I would also like to comment very briefly on the position taken by the Bloc Québécois regarding Bill C-17, an act to amend certain statutes to implement certain provisions of the budget tabled in Parliament on February 22, 1994.

I may add that most of the measures in this bill concern specific cuts in the government's budget, especially the government's proposed cuts in unemployment insurance.

Apparently, the Bloc is opposed to this bill, as it is opposed to any major changes proposed by the Reform Party which concern major government programs, and I find this disturbing, because I see a party that is in favour of the greatest change of all, the break-up of this country.

When we talk about federal programs, programs created under the federal system, our party is proposing major changes, while the Liberals are proposing changes that are as significant as ours, but when the government starts to discuss issues that are vital to the future of our country, we see that the Bloc is always opposed to these changes.

I find it hard to explain to my constituents why a party that cannot abide the Canadian federal system still supports federal programs and in fact supports the status quo.

(1255)

The Bloc Québécois is always prepared to recognize the benefits of federal programs and it does so clearly and incisively, but when it talks about what is wrong with the federal system and especially about the programs we are discussing here, they tend to lack that incisiveness. I must say that I find it hard to understand why they are opposed to the system, to the program in general, while they are not to specific cases.

[English]

I hope that we will get a better understanding of these positions as we debate these things in the future.

If I could for a few moments turn specifically to Part II which is the area of my particular expertise, the fiscal arrangements section of this bill, I note that it affects two areas, the Canada assistance plan and the Public Utilities Income Tax Transfer Act.

The Canada assistance plan changes are in clause 12 of the bill and the purpose is to limit future federal CAP contributions to each province to the amount they received in the year ending March 31, 1995 until superseded by social security program reform in fiscal 1996-97.

Our position generally has been to recognize the need for reduction in the area of federal transfers and specifically in the area of welfare. I guess what we ask is why we are imposing targets for reduction in the absence of any particular policy for change and even in the absence of any particular policy direction that would indicate what the changes would be.

In our view there have already been inequities created through this situation. The previous government brought in specific caps to the payments that went to the so-called have provinces:

Government Orders

Alberta, British Columbia and Ontario, caps that reduced quite significantly the expected revenue of these provinces from federal transfers for welfare payments. This has been a big problem in the case of Ontario.

This seems to be happening without an overall plan and now we are asked to implement additional projected cuts. Once again we do not know where this is going. In fact, we have various committees studying these things at the moment.

I am concerned about the lack of restructuring of the program, the lack of overall financial direction, just these arbitrary reductions. What is interesting is they are done really on the basis on which the Liberal Party often criticizes us, saying we are slash and burn, we have no plan and we just cut the dollars. In fact, this is precisely what this bill does. It lays out some areas for reduction to a significant social program and provides absolutely no rationalization why that would be done or plan to implement it.

Just to give some idea of the money involved, Canada assistance plan payments have been a rapidly growing area of government expenditure. In the last 10 years they have grown from \$3.4 billion in 1984 to approximately \$7.7 billion in fiscal 1993-94. They are projected to grow by another 5.4 per cent this year. Obviously we can agree with the fact that there does need to be some reduction.

The social assistance case load in this period has grown from about 750,000 in March 1980 up to 1.6 million today. I would point out once again to hon. members that the period of massive deficits, structural deficits, ongoing deficits and accumulation of debt has not been a period in which we have produced jobs in economic growth but one in which we have restricted and stifled it. I once again would ask the government to re-examine its view of the link between financial mismanagement at the federal level and job creation.

The ministers often assert that there is a positive link between deficits and job creation. I think the evidence is increasingly otherwise. There are projected savings from the reforms here of \$466 million up to 1995-96. These are significant amounts of money. However, once again I suggest that we do not know the direction and we are concerned about further penalization of particular provinces as we had in the past as opposed to something that may treat all provinces much more fairly.

(1300)

Clause 13 of the bill is the changes regarding the Public Utilities Income Tax Transfer Act. What this really does is preserve the current 10 per cent reduction of transfers under that act for an additional period of time.

Just to inform the House, the Public Utilities Income Tax Transfer Act exists because in some parts of the country,

particularly Alberta but not exclusively, utility companies are private sector whereas generally speaking they are public sector utilities. As a consequence the operations of these corporations are subject to taxation whereas crown corporations are not taxed in the same manner. This has given rise to an inequity that is compensated for by the Public Utilities Income Tax Transfer Act which transfers back to the provinces some of the corporate income tax revenues that are taken out of certain provinces because they are private sector companies but not out of other provinces.

The purpose of this program has been to create a level playing field in other words. This is obviously undone when we begin to freeze or reduce these kinds of payments.

By the way this goes back to 1948. We recognized this inequity a long time ago. From 1966 on we refunded to the provinces virtually all, about 95 per cent, of the moneys that were collected from private utility companies back to the provincial governments. It was only in 1990 that we began to effectively freeze these payments. It had been done in the past but was reversed. However, in 1990 we started the pattern of freezing payments at fixed levels and of reducing the percentage that will be returned to provincial governments. In our view that is not fair.

It has a particularly unfair effect on the province of Alberta which is the major beneficiary. These tax revenues in other provinces are generally retained by the province, but in Alberta the province rebates these tax revenues to the utility companies with the stipulation that they must be passed on to their customers. In other words the purpose here is not to allow the operation of the Income Tax Act to lead to higher utility prices in the province of Alberta.

I suggest that the purpose of the act is fair. The government proposes to continue the present reductions in freezes that the Conservatives implemented. It is certainly no worse than we have at the current time but it is not an issue of equity.

I come back to that time and time again when I speak about transfer payments and how we change transfer payments to the provinces, whether it is through the equalization formula on which we have already had a bill or through cap changes here or through PUITTA changes.

In all cases what we see are programs that proceed without a plan. We either give money with minimal restriction in the case of equalization or cap it in the CAP or in the case of PUITTA. We have no particular rationalization for these things. The common theme seems to be that certain provinces, of which mine is one, seem to always come out at the short end of these non-systematic changes and revisions to policies that transfer money to provincial governments.

Government Orders

I remain unclear of what my view is of these measures. I can support the philosophy of the CAP transfers but I do not know where they are really headed or what the public policy purpose is. In the case of the PUITTA transfers I do not support the philosophy but I do recognize that the government has not introduced additional cuts. Of course we would fight that quite strongly. Those are measures we are going to have to examine in committee.

I see your signal, Mr. Speaker. I believe there will be other speakers on some of the other matters. I say once again there are things in this bill to recommend it. I just regret that we are proceeding with this omnibus approach to legislation which, because it lumps in things we support and things we do not support, unfortunately deprives us of the ability to support the government in votes where that would be appropriate.

(1305)

I appreciate very much your patience, Mr. Speaker. I believe we will hear later in debate from the hon. member for Lethbridge, who was unable to be here today, as well as other members of our party.

The Deputy Speaker: There are no questions or comments for the first three speakers on these matters, so the hon. member will have a chance with another speaker.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I noted the hon. member for Calgary West who just spoke was bemoaning his lack of opportunity to vote against segments of this bill, but I assure him that he will have that opportunity in committee and if he moves the appropriate amendments at report stage, as I indicated in my argument this morning. We will see how many of the clauses of this bill he supports and in fact would vote for.

I look forward to the support of the Reform Party for a large part of this package because this package of proposals I submit is a sound one.

Last month this government introduced its first budget and today we are considering legislation that will help turn the budget goals into a bottom line reality for the long term benefit of Canadians.

[Translation]

Just a week ago, the Minister of Finance and a few other ministers attended in Detroit the G-7 special Summit on unemployment. The G-7 members confirmed the view held by many that February's budget was exactly what Canada needed at this stage of its economic development. This budget promises no panacea. Instead, it restores confidence in our capacity to cope successfully with the economic, financial and social challenges we are facing.

We will succeed because our budget proposes innovative measures taking effect immediately to deal with three major concerns raised by Canadians in our pre-budget consultations. It contains measures to ensure job creation and stimulate economic growth. It reduces expenditures and brings them under control to enable us to substantially lower the deficit. Finally, the budget is laying the groundwork of an unprecedented reform and renewal of our social security system.

Each of these points is dealt with in one way or another in this bill before us in second reading. Together, these measures will help set the strong foundation on which the future of our country will be built.

[English]

I congratulate the Minister of Finance on the leadership that he has shown to Canadians in presenting this budget of which this bill is the obvious manifestation in legislative form. I congratulate him also on the consultation process that he engaged in that has resulted in a budget that is acceptable to so many Canadians.

Before describing the specific measures in this legislation we should remember the broader budget context that the measures reflect. In the lead-up to the February budget the Minister of Finance and his colleagues, as I indicated, listened to what Canadians told them.

Canadians wanted a government to set the stage for job creation and this government has done that. Canadians wanted action to restore our country's economic vitality. This budget does that.

The government responded with such important measures as the \$6 billion shared cost infrastructure program, the restoration of the residential rehabilitation program, new programs for apprenticeship and youth service and support for technological innovation and for the small business sector in particular.

Canadians also told the government that they wanted to have the deficit reduced. They wanted to have the government stop pushing the tax burden constantly higher.

The February budget makes fiscal responsibility part of a job strategy for Canadians. At the same time it recognizes that getting the deficit down is important. It also means that getting economic growth up is very important. Increasing economic growth will result in a decreased deficit and increased economic growth will lead to greater employment for Canadians.

(1310)

That is why this legislation contains key measures that will reduce the demands on the public purse and accordingly on the taxpayers' wallet. These are measures affecting Parliament, the public service, the private sector and Canadians in all regions of the country.

Government Orders

The measures in this legislation work to one clear goal. They will set us on the path to bring down the deficit to our interim target of 3 per cent of gross domestic product by 1996–97, as promised in the famous red book.

I note that members of the opposition delight in quoting from the red book. I am delighted to see that they have taken the time to read and study that work because as my colleagues know it represents a blueprint for action. Although it is a red book it is a blueprint for action by our government and one that we as candidates in the last election were proud to support. It represented, in my view, the standard by which all other parties' programs were judged and Canadians expressed a clear preference for the blueprint in the red book.

There should be no question about the government's ultimate objective, and that is to deliver a balanced budget. Equally important, over the next three years there will be \$5 of spending cuts for every dollar of revenue increases on a net basis.

Under our budget plan, gross fiscal savings including the savings announced in previous budgets and secured by this legislation total \$28.6 billion over the next three fiscal years. Net savings in that period after taking into account the cost of new economy boosting initiatives total \$20.4 billion.

These measures will help shrink the deficit from \$45.7 billion in the year just ending to \$39.7 billion in 1994–95 and to \$32.7 billion in the year thereafter. The measures announced in the budget will be supplemented with further initiatives next year as we reform major spending programs. The government is taking action now and will take action in the future to ensure that the deficit continues to decline steeply.

What I would like to do now, Mr. Speaker, is turn to the specific elements in the bill before us today.

First, the bill proposes amendments to the Unemployment Insurance Act. In making these changes the government had two goals in mind. First, it wanted to provide a concrete incentive to the private sector to create jobs and, second, it wanted to begin to deal in a fair way with the serious problem of dependency that the unemployment insurance system has created for many Canadians.

Payroll taxes are recognized as a significant barrier to job creation. To ease this burden the government will roll back the unemployment insurance premium rate for 1995 and 1996 to \$3. As a result, by the end of 1996 the government expects there will be 40,000 more jobs in the economy than would be the case if the premiums were allowed to rise to \$3.30. That is the level required by 1995 under existing legislation if the government takes no action.

This rollback must be done in a way that supports deficit reduction. That is why this legislation proposes measures to

reduce unemployment insurance expenditures by \$725 million in 1994–95 and \$2.4 billion annually thereafter.

It must be stressed that we are taking these steps to encourage job creation while ensuring the financial integrity of the unemployment insurance program.

Members of the House can also be assured that the unemployment insurance changes in no way prejudice the social security reform process announced by the Minister of Human Resources Development. Indeed, many of the provinces have undertaken their own work in this regard and of course the federal government will continue to work closely with the provinces to ensure stability for Canadians.

Second, the bill deals with the process of social security reform which will involve the federal government and the 10 provinces and the two territories.

(1315)

The common goal of all will be to renew and revitalize Canada's social security system over the next two years. The government will preserve and protect those most in need in order to survive. The government will work to improve incentives for Canadians to work and the government will ensure that the social safety net remains affordable.

To help create a positive, co-operative climate for this challenging task the government is providing a two-year period of predictability and modest growth in social security transfers under the Canada assistance plan and established programs financing.

This means that in 1994–95 there will be no new restraint measures applied to either CAP or EPF transfers. The legislation before us today however will place a ceiling on subsequent CAP transfers to each province. As a result, these transfers will not exceed their 1994–95 levels. This ceiling will remain in place in 1995–96 pending social security reform in 1996–97.

Established programs financing transfers are not affected by this legislation. However existing restraints will be maintained. EPF will grow in line with the population in 1994–95 and then a GNP minus three percentage points for subsequent years.

[*Translation*]

The following part of this bill affects us all personally. It extends the present salary freeze for public servants, the Prime Minister, members of Parliament and senators, federal magistrates, the Canadian Armed Forces, the RCMP and other government workers for a two-year period. Also, pay increments will be suspended for two years.

We recognize that this measure will have repercussions. Some 391,000 people will be affected by this freeze. The need to take this action is explained by a simple inescapable reality: salary

Government Orders

costs make up much of the government's operating budget. Any measure to control the deficit must take these costs into account.

[English]

Many public servants in my riding are affected by this freeze. Like them I feel the pinch the government has applied in making this applicable to all members and to all members of the public service. I do not think there is a member in this House who has not had some comment from a constituent about the freeze. It is regrettable but it is a necessary part of the government's fiscal program.

Next, this bill provides for changes to regional transportation subsidies under the Atlantic Region Freight Assistance Act, the Maritime Freight Rates Act and the Western Grain Transportation Act. Some brief background perhaps would be helpful.

Under the first two acts, government payments defray part of the cost of certain freight shipments in the four Atlantic provinces and the Gaspé region of Quebec. Payments to the railways under the third act help reduce the transportation costs paid by western grain producers.

The budget proposed to reduce these subsidies by 5 per cent. This legislation takes that action. As well, it implements the 10 per cent reduction announced by the previous government for 1995-96 and subsequent years, a reduction not yet implemented in legislation.

This saving is in keeping with the overall reduction being made in most federal grants and contributions. It is important to remember that during the pre-budget consultations a constantly repeated suggestion was to reduce subsidies to business. This measure honours that advice. The 5 per cent cut to these subsidies announced in the February budget will save in the order of \$40 million annually.

The bill also confirms a reduction in transfers under the Public Utilities Income Tax Transfer Act. These transfers return to provincial governments most of the federal business income tax paid by privately owned utilities.

(1320)

In 1990 the federal budget established a ceiling on PUITTA transfers. Then in 1992 a 10 per cent reduction was imposed for 1993-94 and 1994-95. This legislation confirms last year's budget announcement which extended both of these measures beyond 1994-95.

Finally, this bill implements a measure to provide flexibility to the CBC. We propose to give the CBC authority to borrow up to \$25 million subject to case by case approval by the Minister of Finance. As well the granting of this borrowing authority will be reviewed in two years' time.

This borrowing authority will allow the corporation to operate more efficiently. It will give the CBC the flexibility to take advantage of investment opportunities that promise a healthy return. It supports the government's pledge to provide this

important national institution with a more stable funding environment.

[Translation]

Mr. Speaker, as you can see, the bill before us today is an essential element of this government's program to put Canadians back to work. This bill would ensure that our budget goals translate into concrete results. It is based on the advice we received from every region of the country. It outlines our overall socio-economic situation and meets the challenges facing us. In short, it proposes measures to create jobs and revive the economy, measures to reduce the deficit and bring the debt under control, and measures to overhaul and sustain a social safety net all Canadians are proud of.

[English]

By taking this action this bill, as with the budget announced by the Minister of Finance, builds a solid foundation for success. It is one based on frugality, on fairness and on a clear focus on the future.

With that in mind I urge all members of the House to join the Minister of Finance, his cabinet colleagues and members on this side of the House in supporting this bill.

Mr. Paul E. Forseth (New Westminster—Burnaby): Mr. Speaker, in one part of the hon. member's speech he specifically mentioned a freeze on the general percentage grid increase.

There is a contract in place and the movement within the grid, the annual increments, should be honoured and the savings made elsewhere. We can support the broad general percentage increase. However we believe the increment freeze itself within that grid will increase disparities rather than relieve them. Will the hon. member comment more specifically on the rationale for the general freeze as well as for the freeze on the increments within a grid?

This is particularly disturbing to the RCMP. I understand there was a meeting in Surrey, British Columbia of over 800 members of the RCMP. They were very upset that promises were being broken. Certainly within its structure the RCMP is given a budget and rules to live by and therefore cannot do much about it.

We are saying that the breaking of a promise or a contract to honour the increments within an overall framework needs to be addressed even though we agree with the broad approach of a spending freeze.

Mr. Milliken: Mr. Speaker, I am surprised to hear my colleague from the Reform Party talk about the virtues of undoing any of the freezes the government has put in place, given that party's obsession with deficit reduction.

The government chose the freeze as the method of dealing with this problem. It was not because it was going to be a popular method or an easy sell to the public servants, the members and the senators who are affected by the freeze. The government chose this option because it was very concerned if it did something else, it would result in substantial layoffs in the

Government Orders

public service. We have witnessed that in the provinces, particularly in Ontario where there was a social contract put in place with rather disastrous consequences.

(1325)

The purpose of the government in choosing this particular option was to ensure that as many members of the public service as possible could retain their jobs. In spite of the significant cutbacks in funding that are available for all manner of government programs, by freezing we have avoided the necessity to eliminate jobs while others get an increase.

Even if the increments could be allowed to employees, as I am sure the government would like to do, that would result in an increased salary cost to the Government of Canada. That would have to be met out of the existing budget. Since the government has no additional funding to give to government departments for this purpose the only solution to capping the total salary cost would be to eliminate someone else's job. That is why there is a freeze on the increments and that is why there is a freeze on salary increases.

I do not think it is popular. I do not think it is the greatest thing by any means. However it is the best thing the government could come up with given the financial circumstances we are facing.

I know the hon. member and his party are very supportive of government cutbacks and government freezes. I am delighted to know he will be supporting this part of the bill.

Ms. Val Meredith (Surrey—White Rock—South Langley): Mr. Speaker, I would like to follow up on the point my hon. colleague raised. Our party has very little problem with freezing salaries. However when we start talking about freezing increments it goes a little bit further.

With the RCMP constables the government is cutting into what was considered training advancement through an incremental process.

British Columbia has the largest number of RCMP. It is the largest division in the country. There are over 700 constables in the E division. A large part of the cost the member is talking about controlling is municipal. It is through the municipal taxpayers.

In the Surrey detachment 90 per cent is picked up by the municipality. Provincially, 70 per cent is picked up by the province. When the hon. member starts talking about saving real dollars for the federal government he is talking about minimal savings on the backs of low paid constables who are in training.

The Reform Party certainly supports the concept of freezing salaries. However it does not support freezing increments which are based on training that are part of an ongoing contract with

these individuals and should not have been put into a collective package.

I do not think the government can make those kinds of decisions without looking at individual circumstances in different programs that fall outside the normal salary range. I would like the minister to give this further consideration.

Morale in the RCMP is at an all time low. There was a meeting of 800 members of the RCMP in my constituency last night. The deputy commissioner made the statement: "It would be futile for me to say that there is not a morale problem in terms of this incremental freeze". Would the hon. member please respond to this.

Mr. Milliken: Mr. Speaker, I am surprised to hear this from the hon. member for Surrey—White Rock—South Langley because she is a member of a party that keeps telling us there is only one taxpayer. It does not matter two hoots if the federal government raises the salary costs for these people but then recoups 90 per cent of the cost from her municipality which taxpayer is paying. It is the same taxpayer that is going to pay that cost. It is just that instead of the federal government paying it, the municipality or the province in which she resides is going to pick up the tab.

She nods her head that that is okay. Yet the other members of her party, and I am sure she has been part of this, keep telling us there is only one taxpayer and we have to cut costs. When we do it I am surprised we face criticism from the Reform Party on this matter.

Let me turn to the essentials of the question. She says it would not cost the federal government anything to allow the increments to go into place for a group of RCMP officers in the province of British Columbia. I do not know for certain but I would bet any money that the rates are the same across the country. If the federal government is to give that kind of increase in British Columbia, it will have to give it in other parts of Canada too. It will have to give it in parts of Canada where it does not receive a subsidy from a province for operating a police force such as all RCMP forces in Ontario and in Quebec. While there may be fewer, the cost would still be significant for the federal government.

(1330)

Surely the hon. member agrees with me when I tell her that it would be unfair to give the increase in the provinces where the federal government picks up only a part of the share and not give it in the provinces where it is paying the full shot. I think she would agree with that. She must recognize the wisdom of the government's decision in this matter, given the regrettable circumstance that led to it, the very substantial deficit that her party said it would eliminate in three years.

Government Orders

The next time she asks a question, I ask her to tell us where she was going to make the cuts to eliminate the deficit in three years. She would not have only frozen the increments. She would have slashed the wages of these people and she knows it. She would face much tougher criticism then.

Mr. Jim Gouk (Kootenay West—Revelstoke): Mr. Speaker, I have a short comment to make. The member opposite knows well where the Reform Party would make its cuts because they were well publicized.

Would the minister be prepared to amend the bill so that the increments were paid if the Reform Party showed him how to save \$2 for every \$1 it costs without causing any job loss?

Mr. Milliken: Mr. Speaker, the Reform Party likes to talk about its steps to reduction plan. As I read the figures, it announced an \$18 billion reduction in government expenditures and said that \$18 billion would bring the deficit to zero in three years.

The deficit we now know is something like \$45 billion or \$47 billion. Whatever it is this year it is a very substantial figure, and \$18 billion off that takes it down to about \$28 billion. Where would the other \$28 billion come from? That figure was a fraud. The whole paper put forward by the Reform Party during the election was a complete fraud. I invite hon. members to tell us the truth. Where was the \$45 billion coming from? That is what the deficit is. We have never heard that figure from anybody in the Reform Party and we never will.

The Deputy Speaker: There are about three minutes left to be divided between the two members.

Mr. Gouk: Mr. Speaker, it will not even take me that long to expose the hoax of the question he posed.

The parliamentary secretary knows well that much of the reduction was coming through a growth in the economic situation in the country. Using a figure lower than the one proposed by the finance minister at that time, using a figure that was compatible with the one that the Liberal government is using right now, it was based on a real deficit, not one that was propped with non-recurring factors added to the budget to make it look worse than it really was.

Mr. Milliken: Mr. Speaker, the hon. member can argue that if he wishes. I will go back to Mr. Mazankowski's budget deficit figure last year which I think was \$35 billion, if I am not mistaken. If the hon. member subtracts \$18 billion from \$35 billion, my arithmetic takes it down to about \$17 billion. Where were the other \$17 billion in cuts? The question is the same. It is only a matter of the amount. However \$17 billion is \$17 billion. Maybe it should have been \$25 billion, I will not argue that. I still ask: Where are the other \$17 billion in cuts?

The Reform Party had no idea where those cuts would come from. It still has no idea where those cuts would come from. We will never hear from them as to where those cuts would come from because I predict that when the time comes for the Reform Party to tell us those figures it will be a dead duck.

[Translation]

The Deputy Speaker: Resuming debate. I should perhaps tell the hon. member for Lévis we have about ten minutes of debate left.

Mr. Antoine Dubé (Lévis): Mr. Speaker, I will do my best in ten minutes.

Bill C-17, an Act to implement certain provisions of the budget, reveals this government's true identity. Liberal government members succeeded in getting elected by denouncing the unfair policies of the Conservative government which widened the gap between rich and poor, as well as the gap between anglophones and francophones. A study released this week showed this to be the case everywhere, except in Quebec.

(1335)

However, once again we see today how the public's hopes for justice, dignity and equity have been blithely crushed by politicians who, when in opposition, denounced others for doing exactly what they are now guilty of.

Once again, the government is attacking the least fortunate in society. A recent analysis carried out by three experts from the economics department at the University of Quebec at Montreal showed that 60 per cent of the cuts to the federal deficit announced in this budget will be borne by Canada's unemployed. This is totally unfair since the government will be forcing the least fortunate to bear a bigger share of the burden of putting the nation's finances in order.

Lowering the number of weeks of benefit entitlement while at the same time increasing the number of weeks of work needed for benefit entitlement does nothing to address the problem of those who defraud or take advantage of the system. What this measure does above all is attack the vast majority of unemployed workers who have lost their jobs through no fault of their own and who must now face increasingly harsh economic conditions.

This unravelling of the social safety net on which workers depend will also affect regions and provinces already hard hit by the recession. By taking this action, the Minister of Finance is getting the provinces to foot the bill by forcing the unemployed onto social assistance sooner than necessary.

According to the figures provided by the Department of Human Resources, the federal cutbacks mean that the Government of Quebec will have to spend an additional \$65 million to

Government Orders

\$135 million on social assistance. Benefits paid to Quebec's unemployed in 1994-95 will be cut by a total of \$735 million.

Meanwhile, the Minister of Finance still claims to promote job creation. How can he indulge such fantasies when he is about to take more money out of the pockets of a large group of consumers in this country, the unemployed?

Although it makes no sense at all, the Liberal government continues to apply the same policy as the Conservatives, in other words, it prefers to attack the unemployed instead of creating jobs. So far, the present and previous governments' mindless cuts in unemployment insurance have produced very unsatisfactory results. In 1989, 1 million Canadians were unemployed. In 1993, there were 1.6 million, an increase of 60 per cent.

On the subject of job creation, I think we must realize it will take more than a good old fashioned infrastructures program to improve the employment situation. Although this program invests federal funds, it also involves additional expenditures by the provinces and municipalities. In most cases, this money will have to be borrowed, which means additional debt.

In this scenario, I think reducing the number of insurable weeks will have no effect at all. In fact, this reduction will come down harder on regions and provinces where the unemployment rate is high, in other words, Quebec and the Maritime provinces. This measure will affect six regions out of thirteen in Quebec and seven out of thirteen in the Maritimes. The proposed amendments will not only affect whole regions, they will also have a devastating effect on the most vulnerable people in this group, and I am referring to claimants who work only for short periods. Unfortunately, the majority of workers in this category are young people.

In Quebec, youth unemployment is around 20 per cent, involving about 137,000 unemployed in this age group. The real problem, in their case and in the case of other labour market "rejects" is not that they have no incentive to work because unemployment benefits are too generous, but that there are no jobs available.

(1340)

Here we have a perfect example of a government saying one thing and doing another. On the one hand, we have the government stating in its official discourse that the gap between the poor and the rich must be bridged and, on the other hand, implementing measures which shamelessly make the less fortunate bear the brunt of the federal deficit.

It is more obvious than ever today that this ship is sinking. Constant infringement upon provincial jurisdictions, particularly with respect to job training, has led the federal system to the brink of bankruptcy. And now the supporters of this system want the most vulnerable segment of our society to bear the brunt of a

misguided policy of infringement, which prompts more and more Quebecers to say it may be high time we get out of that system.

It has become nothing more than a vast and expensive smoke screen for the financial abyss the Liberal government is leading us to. Much would need to be done in terms of administrative management and even about the way ministers carry out their duties.

As reported last Saturday in *Le Soleil*, following the Minister of Intergovernmental Affairs' example, the Minister of Human Resources Development also used a government jet, at a cost estimated, using the Auditor General's method of calculation, at \$117,900, to go and talk about cuts in compensation to fishermen in Quebec and the Maritimes.

The minister has a lot of nerve to try to make the people of Quebec and Canada believe that they are going to be consulted concerning social programs reform. This is the kind of consultation I do not hesitate to call a sham because the minister did not even wait for the report to be tabled, which it was today, to start making cuts in the unemployment insurance system.

As we speak, the Standing Committee on Human Resources Development is releasing its report on the first phase of the consultations it has held on social programs. But by proposing, as it did, the adoption of Bill C-17, which deals mainly with cuts to the unemployment insurance system, that is to say one of the most important elements of our social programs, the government is actually going ahead and making cuts in that area without even waiting for the report from its own committee. What message is it looking to send to the public for the second phase of the consultation process?

The minister did not wait either for the rapport of a study group which held similar consultations in all provinces at the same time as the committee. I myself attended last Tuesday in Montreal a meeting organized for community organizations by the coalition of organizations for the development of employability, acting under a mandate only three weeks old.

Most of the organizations said that the time is too short; they did not have time to prepare, but were coming anyway; they have experiences to share; they will tell you what they think of it; employment should be the priority; maintain the level of social programs. But we did not expect this: the government consults but meanwhile takes measures attacking the most disadvantaged.

The second phase of consultations is approaching. I am a member of the human resources committee; the report is to come out in September. I think that it would have been wise under the circumstances—with a less improvised, less rushed consultation, with more serious briefs presented, further to the

Private Members' Business

options announced by the minister himself—to wait for the report from this consultation before passing Bill C-17.

No, when it comes to attacking the poorest people in our society, the Liberal government is in a hurry. To help those who need jobs, they propose measures and studies and suggest that those people wait for the result of these studies. They say one thing about jobs and another about cuts.

PRIVATE MEMBERS' BUSINESS

(1345)

[Translation]

AUDITOR GENERAL ACT

Mr. Jean-Robert Gauthier (Ottawa—Vanier) moved that Bill C-207, an act to amend the Auditor General Act, be read the second time and referred to a committee.

He said: Mr. Speaker, today I have the honour to introduce Bill C-207 and to recommend that it be passed.

The purpose of this bill is to amend the Auditor General Act, in order to allow the Auditor General to report to the House upon completion of his report or as he deems necessary.

I am the adoptive sponsor of this legislation, since many other members of this House have thought of this initiative. As well, former colleagues in previous Parliaments have tried to have such a measure passed under circumstances which may have been different from those prevailing today.

This private member's bill was approved by nearly all of the Public Accounts Committee chairpersons of the last 15 or 16 years. The bill is also based on several recommendations from the Standing Committee on Public Accounts, the Standing Senate Committee on National Finance, and others. I am pleased to say that the Auditor General of Canada, Mr. Desautels, also gave me his support in a three-page letter which he sent to me last March 22, and which I will be glad to show to hon. members if they wish to take a look at it.

The Auditor General of Canada is a senior civil servant of the Parliament of Canada; he is an official of this House. This is a very important position. That person has the responsibility of reviewing expenditures authorized by the House, and must tell us if these expenditures are done in an efficient and effective manner, and if they meet the objectives.

So, the Auditor General's report, which is currently tabled annually—members are familiar with this thick document containing about 750 pages—is very important, since it allows us to evaluate the government's business and strategic management. This report provides essential data to help parliamentarians and government to better evaluate the relevancy of a program, and to

correct within a reasonable delay administrative practices which are not sound.

At present, the Auditor General must table his report on or before December 31, in the year to which the report relates. Yet, the evaluation included in the report covers the fiscal year ending on March 31 of the previous year. Since the evaluation of a department or an agency can take up to two years, this means that the information contained in the Auditor General's annual report is sometimes more than three years old. This, in my opinion, hinders the efforts of the House to make the government and its management accountable to Canadians. The information is often not up to date and even less relevant.

Indeed, sometimes, after so many years, managers responsible for the activities scrutinized have been transferred, or the incumbent at the time the Public Accounts Committee conducts its review has no idea of what happened, or was not there at the time, or does not care about what happened or what was reviewed by the Auditor General.

Of course, a department's management team may have changed since the evaluation was done, since the department is informed during the evaluation conducted by the Auditor General. In fact, it even participates in the exercise and it is invited by the Auditor General to submit reasons explaining the situation which will be exposed in the annual report.

(1350)

Generally speaking, however, it is only after the Auditor General of Canada has tabled his report in the House that we parliamentarians are informed that departments or agencies are under pressure to make the necessary changes to these bad administrative practices.

Delays cost taxpayers billions of dollars. I will give you just a few of many examples. In his assessment of programs for seniors, as described in chapter 18 of his last report, the Auditor General of Canada observed significant deficiencies in the management of the Canada Pension Plan program. For instance, pensions were paid to deceased beneficiaries. Systems and procedures were inadequate to identify, control and collect these overpayments.

According to the Auditor General, overpayments range from \$120 million to \$220 million. If the act had allowed him to, the Auditor General could have tabled his report four months earlier, thus helping to save a large part of the hundreds of millions of dollars lost.

The dividends paid to Canadian companies by foreign affiliates have deprived the government of hundreds of millions of dollars in revenues. I am not exaggerating, as close to \$400 million have been lost.

Before the 1993 general election was called, the Committee on Public Accounts tabled a substantive report proposing measures to correct these practices costing money to the government. In the time available between the audit and the tabling of the report, the committee would have been able to ask the

Private Members' Business

Department of Finance, before the election, to submit its response to Parliament within the 150 days provided for in the Regulations for tabling a departmental response to a parliamentary committee.

The delay is frustrating for the members of the Committee on Public Accounts who worked hard to try to correct a situation that is very costly for the government. If we go back ten years, many of you will remember the scientific research tax credit, which cost the government some \$2 billion over ten months.

In 1985, the Committee on Public Accounts sharply criticized the Auditor General of Canada for not bringing earlier before Parliament the results of his audit. But the act forbids him to do so. He may table only one report annually. That is where my bill comes in. I want to change this situation. Had he informed Parliament seven months earlier, the Auditor General might have allowed us to save over \$1 billion.

[*English*]

In his last report the Auditor General of Canada devoted an important chapter, chapter 22, to airport transfers. The auditor might have easily presented his report in May or June 1993 when his evaluation was terminated. If so, the report could have had a great influence on the Pearson airport transaction, for example. Unfortunately the auditor's report was tabled after the event.

Chapter 15 in the same report indicated that \$587 million was spent by the government on the northern cod adjustment and recovery program without clear legislative authority. The Auditor General of Canada raised grave doubts regarding some of the hurried allowances given to those ineligible persons who ought not to have benefited from that program. The auditor might have tabled his report in March of last year rather than wait for December thereby again saving Canadians millions of dollars.

Particularly in this era of budgetary restraints it is imperative to improve governmental management practices. It is imperative for us to have better accountability for public funds. Moreover, I say that we in the Liberal Party said in our red book during the election that we would exercise unwavering discipline in controlling federal spending and would reorder current spending priorities to make sure that maximum return was obtained on each investment.

I am of the opinion that punctual reporting by the auditor without being the only solution would give the Liberal government of today additional tools to allow cutting of waste while realizing valuable objectives. Therefore the adoption of my bill would constitute a step in the right direction.

(1355)

Some would suggest that punctual reporting, and I have heard it, would possibly reinforce or feed the media hype over this annual report. As we all know it gets the attention of the media for maybe two or three days a year, possibly a week sometimes, but no more. After that it pales into oblivion and the public accounts committee is asked to look into some things that sometimes date several years and sometimes are frustrating for us to examine because we know the press are not interested.

Let us not kid ourselves. Some people want to eliminate waste. We as parliamentarians have an obligation to the people of Canada to do our best to try to meet that challenge. Canadians want to be assured that legislators have all the information to reduce wasteful spending in the government infrastructure.

Moreover, the last annual report of the Auditor General for 1992-93 contains 775 pages. As I said it is a huge volume. It is complicated. It is indeed technical sometimes and it is very important in my view. The report, in my experience having chaired the public accounts committee, is a source of invaluable information for members of Parliament who want to know how the government administers public funds.

It brings forth information to improve the management of public funds. It would make us more efficient. It would make the government certainly more effective in trying to come to grips with the huge administration of some \$160 billion a year.

The public accounts committee, as we all know, has been a very non-partisan committee over the years. That is the way it should be. It should be able to plan and order its business in a more efficient and quicker way of doing business. It should be able to profit from the examples set in England, Australia, New Zealand and other parliamentary systems similar to ours where the study or the overview of public accounts is done on a more regular basis by Parliament.

I would be astonished, for example in my riding of Ottawa—Vanier, if a business person or somebody said to me that he had to wait a year and a half before knowing if he made a profit and that he had to wait another two years to figure out which corrective he had to use to reduce the losses. Nobody could operate a business that way. The government should not do it that way either. I would hope the House would see fit to support the bill which only presents a small amendment but in my view a very important change to the way we do business.

I mentioned at the beginning of my speech it is useful to note that the Auditor General wrote to me on March 22, 1994. I want to read into the record one paragraph of that letter if I have time:

Private Members' Business

This office would benefit from efficiency improvements resulting from completing work in progress rather than having to put it aside and then pick it up again at the time of tabling of the annual report. This disruptive effect of the annual report tabling on the smooth and orderly flow of work through this office cannot be overemphasized.

Underlying this Mr. Desautels said: "Ultimately the taxpayers of Canada will be the main beneficiaries". Earlier reporting of audit results will lead to faster correction of problems. In my view this means greater savings for Canadians, reduced risk, better management and generally better government.

Therefore for these reasons I ask the House, in a spirit of better accountability to Canadians, in a free and open spirit, to assure the passage of the bill. By the way I am proud to say I have the support of many members of Parliament. I have at least 70 letters of support for this bill from this House. I am very proud of that. I think it is a good sign. It is a hopeful sign.

(1400)

I hope the bureaucracy does not meddle in this issue, that it stays out of this debate and does not start trying to prevent this from happening. It did it before. I hope this time we parliamentarians keep our minds open, that we do it with an open and free will. Let us not have the bureaucracy tell us what we should be doing in this House.

The Deputy Speaker: Does the hon. member for Ottawa—Vanier wish the unanimous consent of the House to table the document? He did not move it at the end. I do not know whether he wants to or not.

Mr. Gauthier (Ottawa—Vanier): I would ask, Mr. Speaker, that this letter be tabled. I think it is an important letter and it should be appended to today's minutes.

[Translation]

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

The Deputy Speaker: Agreed.

[Editor's Note: See Appendix.]

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies): Mr. Speaker, let me begin by thanking my hon. colleague from Ottawa—Vanier for introducing Bill C-207. He explained very well the overall nature of the bill which is aimed at giving the Auditor General of Canada a little more room to manoeuvre so as to allow him to present the information the House truly requires as quickly as possible. The hon. member gave a good account of several great examples of totally outrageous spending. We had heard of these expenditures. He pointed out that the Auditor General's report was enormously useful to members, and I cannot disagree with this statement.

However, I would like to say that this report should also be useful to the people. The public can obtain copies of the report from the Auditor General of Canada. The published report is available free of charge. Many citizens would do well to read it. The Auditor General's Office will be happy to send them a copy if they request one.

To all those who are listening to us at this moment, let me say that the role of the Auditor General of Canada is to act as the government watchdog in matters of national finance. Each year, the Auditor General inspects a portion of the government's books and each year, as my colleague from Ottawa—Vanier said, he releases a report anywhere from 600 to 700 pages long describing some administrative horrors of which the government is guilty.

Very often, and that is something that my colleague also stressed, the media jump on this report and it makes headlines for two or three days, a week at best, and then it is shelved. I believe my colleague was right to mention it.

Naturally, the Bloc Québécois will support this bill, but I must say that ever since we arrived here, we have asked for something much larger than this. We believe that the role of the Auditor General is not wide enough. We have been asking the government to open its books to the public, so it can review, item by item, all government spending, including fiscal spending. By the way, we know that fiscal spending is beyond the reach of the Auditor General, he is not suppose to review that, it is nor part of his mandate, and I talked about that with Mr. Desautels during a meeting we had with him.

For those who would like to know what fiscal spending is, I recommend a book published in Toronto I believe, a couple of year ago. It is called *The Lion's Share*, by Linda McQuaig, and it describes how people who control Canadian fiscal policy could grab it for their own profit.

Unfortunately, the way things are now, I believe that government operations are not fully transparent since some elements which should be audited are not accessible to the Auditor General of Canada.

(1405)

That is the case for tax expenditures; that is also the case for family trusts, which the government does not want to touch. We do not know how much money there is in these at the present time. There were also other examples, such as Ginn Publishing, things that remain secret, but that should be known in the House.

There should not be secret relationships between secret people on secret decisions. What is going on in the government should be known here, in the House, so that we could take good decisions on the matter.

Unfortunately, that is why we got the budget that we did. If we look at that budget, and that was still evident in the media today, the government is directly attacking the unemployed. In that budget, it is the unemployed and the old people who will be hurt.

Private Members' Business

Unfortunately, in the meantime, the budget does not talk about the billions of dollars in waste noted by the Auditor General of Canada. It does not talk either about solving the issue of program overlappings. It does not talk about eliminating family trusts or at least taking a look at what is going on there. The Auditor General should be the one examining that.

Unfortunately, the budget does not talk about that or about the more than 90,000 profitable companies that presently do not pay any taxes in Canada, while in the United States, which is certainly not a communist country, all profitable companies must pay a minimal tax.

In general, we are not satisfied with the way the current government is fulfilling its task of managing public funds. Canadians will not be either. Let us just think about the kind of reception the Prime Minister got during his recent visit to his riding. The same is true about the welcome they gave the Minister of Transport. I am not talking here about members of Parliament, but about people who experience problems which the government has the power to solve.

Unfortunately, I think this dissatisfaction is bound to increase because the measures implemented by the government affect the poorest among the have-nots while we know that public funds management could improve if they would only follow up on reports like the one by the Auditor General and give him more authority to push his analyses further.

However, I must stress the fact that the present bill does give more authority to the Auditor General. On the whole, this bill provides for better management and that is why the Bloc Québécois will support it.

[English]

Ms. Val Meredith (Surrey—White Rock—South Langley): Mr. Speaker, it gives me great pleasure to stand in this House today and support the private member's bill of my hon. colleague for Ottawa—Vanier.

Our party, as members know, is very supportive of increasing the reporting opportunities of the Auditor General to this House. We sponsored a supply motion in the early stages of this Parliament that tried to set up a procedure for the Auditor General to be able to make reports more often on a regular basis to this House rather than just once a year giving his annual report.

This bill, as mentioned by the hon. member for Ottawa—Vanier, has been introduced at various times or something like it has been introduced various times in this House, in 1985 and 1988 just to mention a couple of occasions. It is the feeling that this is a step in the right direction but not necessarily the only step that should be taken. However, it would start to solve some of the concern that with a yearly report is more than often after the fact.

It has been brought to the attention of the House that the public accounts committee holds hearings on chapters of the Auditor General's report which deal with government waste and mismanagement. It seeks to ensure that Canadians receive value for their tax dollars.

Due to the fact that the Auditor General's report is only tabled once a year, the committee is often dealing with problems that are more than a year old and any remedial action that should be taken is unnecessarily delayed.

We feel that this private members' bill C-207, that is sponsored by a former chairman of the public accounts committee, would allow the public accounts committee to deal with reported cases of fiscal mismanagement in a more timely manner than currently exists.

(1410)

That certainly is a very positive step. We feel that it would allow the committee to report to the House what remedial action could be taken more expeditiously since it would be able to hold hearings more expeditiously. We feel that is a very good step in the right direction. We feel it would contribute to an improved process to correct government mismanagement.

We like to think that if the government is truly concerned about using taxpayers' dollars wisely that it will endorse this completion date reporting as suggested in Bill C-207.

We feel that taxpayers are entitled to receive value for their money and when they do not, such as when the Auditor General reports cases of mismanagement, taxpayers are entitled to have the problem rectified as quickly as possible, not once a year or after the fact.

In conclusion, this idea has been supported by former NDP and PC members in this House and endorsed by public accounts committees and the office of the Auditor General. The Reform caucus now has the pleasure to endorse it.

We feel that the member for Ottawa—Vanier, a Liberal MP and former chair of the public accounts committee, should be supported in this private member's bill.

I urge all members of this House to give their support so that this can be referred to the public accounts committee after second reading.

Mr. Ronald J. Duhamel (Parliamentary Secretary to Minister of Public Works and Government Services): Mr. Speaker, I too am delighted to rise in this House and give support to this initiative.

[Translation]

I want to congratulate my colleague on taking this initiative and I will tell you why. For me, the key point is that information could be available when needed and before changes are made.

Private Members' Business

When you look at the size of the government machine, which is massive, it seems to me that, when there is a problem, it is absolutely essential to be aware of it as soon as possible and take corrective measures, so that we can still meet our objectives. This is in keeping with other objectives set by the Liberal Party of Canada which wants government's operations to be much more open than in previous years. We want to improve our cost-effectiveness.

[English]

This bill at least in principle, and one might want to quibble with the niceties and the details and what have you which I will leave to parliamentarians to do, not only reaches a prime objective of providing information when we need it so that we can take corrective action, but permits us to conduct a more open and more transparent type of government which is one of the goals of this party and this government and to improve our accountability. For me that is of critical importance.

It is important, certainly for me, that the Auditor General play a critical role in the efficient management of government. Obviously it is not the Auditor General himself with his team but certainly the Auditor General and that team are major players working with government in trying to make it more efficient and trying to make absolutely certain that we spend taxpayers' money as wisely as we can.

I applaud not only this Auditor General but Auditor Generals in the past for their efforts in that area.

Just the other day in the operations committee, a statutory committee of the House of Commons of which I am a member, I chatted with the Auditor General and his team about a number of important concepts such as *Renouveau 2000*, of how we can in fact determine criteria for success when we look at the civil service and the operations of government, what measures other governments have undertaken to establish that and how we compare with other governments. We are going to have additional discussions.

I want to underline the main point which is that the Auditor General, with the team available and the tools that are there, can help this government, its ministers, the members of Parliament of this government and whatever party to understand government better, to come forth with creative solutions to the problems we have and to put forth mechanisms that are going to help us reach the objectives that we think are valid for all Canadians.

(1415)

While the Auditor General is obviously a critical component of government and has an important role to play, I want to remind members that we have many other sources of information.

Personally I feel as a member of Parliament that the greatest benefit I have which is never mentioned is all the sources of information at my disposal. Unfortunately the one thing I do not have is the time to read all those sources of information. There are many and excellent.

Let me mention just a few. For example, the Commissioner of Official Languages brings forward a report that is insightful and potentially very helpful, whatever our position happens to be on official languages. I think mine is fairly well known.

There is a report as well from the Human Rights Commission which is extremely useful and insightful that I would recommend to all parliamentarians. There are reports from the Public Service Commission. Again they have much useful information.

Some will know that many valuable reports on a wide range of public policy and management issues from Canadian and non-Canadian institutions are available to parliamentarians through the Library of Parliament. We must never forget the Library of Parliament is there to make those available to us.

There are reports from the private sector think tanks or from international bodies such as the OECD while others are the works of academics, business, labour, professionals, associations or other interest groups. These are useful tools to inform us, to help us get to know government, our country better, to help us understand what the goals of a government might be and how we might reach those objectives.

I want to say at this point how much I appreciate the contribution of the Library of Parliament itself. I have seldom found an institution that is as responsive as it has been to my needs. I use it a lot. It responds with a great deal of sensitivity. It responds rapidly and with excellent information that I have learned that I can trust. There are very few instances where I have not been very satisfied at the response to my request. I want to applaud all the men and women who work very hard for all of us.

I want to mention another source of information that perhaps is overlooked on occasion. The Government of Canada has established from time to time royal commissions, various task forces to study in depth and report on issues which are important to the public policy agenda.

Another source that is often forgotten is the Senate of Canada. It often produces superb reports that are extremely useful. For those members who have never had an opportunity to read them, I would suggest that they do so. In fact, if they did I warn them, and I can see the facial expressions of certain colleagues, their view of the Senate and senators might change. If members do not want their view of the Senate and senators to change then perhaps they should not read them. If members are interested in accurate information and insightful commentary I suggest that

they read them and decide for themselves. I would be delighted to chat with them about it if they want more information.

As members know, a steady flow of reports come to us from the government departments, agencies and crown corporations on their activities, their accomplishments and their plans. I find them exceptionally useful as a member of Parliament, particularly those agencies and institutions that are of interest to me.

Finally, I want to focus on the departmental program evaluation and internal audit programs. To my way of thinking, they have not received the visibility they deserve. Some will know I was a former deputy minister and had access to internal audit reports and to program audits. I found them extremely useful.

During the course of the year, we had an opportunity to sit down and look at those with a team of colleagues and try to decide what it was that was working, what it was that was not working and what it was we could do to change our direction in order to meet not only financial obligations but others as well.

I want to quote something useful with respect to the internal audit. By the way this comes from the Auditor General. It goes like this: "The internal audit has the potential to contribute greatly to improving management practices. The government is looking to internal audit to play a vital role in providing assurance on management systems and practices and in addressing re-engineering productivity and government issues".

(1420)

My view is, actually it is one that has been communicated by the Auditor General, that the internal audit has a tremendous potential to help us all manage government more effectively and to reach the targets that we have set for ourselves either as a government or collectively as parliamentarians.

I want to point out as well that the program evaluation data has a lot of potential because it provides information and analysis for government managers on the results which government programs are producing. It finds innovative and less costly ways of serving Canadians. I think we have all talked about that.

Apparently, this is something that should be noted because we are not often willing, I think we do not do it often enough—

The Deputy Speaker: Order, please. The time has expired.

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, it is a pleasure to address the House on Bill C-207, an act to amend the Auditor General, proposed by the hon. member for Ottawa—Vanier.

This bill will among other things allow the Auditor General to report to Parliament on various matters of interest throughout the course of a year. Under these proposals the Auditor General would have the opportunity to bring his reports to the attention of parliamentarians as his work on a particular audit is completed or he could report to Parliament at a time he judged

Private Members' Business

appropriate on matters of urgency or pressing importance. He would no longer be limited to one annual report.

These are most interesting and constructive ideas. They are not new concepts. I know that the hon. member for Ottawa—Vanier proposed them in the previous government and I believe deserve thorough consideration.

However as part of our study of these proposals I believe it is important to review carefully the existing system: what are its basic precepts, how is it working, does it allow the House to benefit to the fullest extent possible from the work of the Auditor General and his staff?

First let us examine the current system and how it is functioning. Currently legislation requires the Auditor General to audit the accounts of Canada, including those related to the Consolidate Revenue Fund and to report annually to Parliament on his findings.

This annual report relates to the publication every year of the public accounts. It facilitates consideration of these accounts by Parliament which of course also operates on an annual expenditure cycle. This procedure ensures regularity in the reporting process. It makes it possible to compare one year's performance with the next.

Once tabled in the House the annual report is then examined in detail by the public accounts committee. This committee, chaired by a member of Her Majesty's Loyal Opposition, looks closely at the issues raised each year by Mr. Desautels and his staff. The committee members look carefully at how government departments and agencies are running, respond to the Auditor General's suggestions for improvements, his request for information from Parliament and for the public.

They call before them senior officials of government departments. When their work is complete the committee gives the government the benefit of its findings.

[*Translation*]

I agree with the member for Ottawa—Vanier who believes that the Auditor General's role and responsibilities are of a paramount importance for MPs and senators, for the government and the Canadian people. Moreover, I am convinced that the present system is a good one.

[*English*]

This year's report is a case in point. The Auditor General and his staff made a valuable contribution to a better understanding of the many complex issues faced by government. When this year's report was tabled in February it quickly became clear that the government shared many of the Auditor General's preoccupations. I am pleased to report that we have already acted on and publicly set out our plans for addressing many of the areas of concern that he highlighted: more information for Parliament

Private Members' Business

and a more open budget process, a bigger role in policy making for members of the House.

(1425)

These are only some of our shared concerns. In addition, of course, we agreed on the need to review existing programs and policies to ensure they continue to meet the needs of Canadians.

Specifically, the Auditor General has consistently advocated the need for better reporting of financial information for Parliament. This year was no exception. This year Mr. Desautels devoted an entire chapter of the report to his view that better information is required on the debt and deficit.

To address this need the finance department has issued two publications that will help Canadians understand the debt and the deficit. A short booklet entitled "Basic Facts on Spending" summarizes spending as it is presented in the federal budget and public accounts. It will help Canadians better understand the federal government's budgetary spending. In addition, a longer background document called "Federal Spending" provides more detail.

As a member of Parliament it is a matter of personal satisfaction for me that the public accounts for the year ending March 31, 1993 were accepted without reservation by the Auditor General.

Their fundamental purpose is to provide information to Parliament and through Parliament to all Canadians. Their purpose is to facilitate understanding of the full nature and extent of the financial affairs and resources for which the government is responsible.

It is the Auditor General's job to examine them. Last year the Auditor General said that in his view: "The government's financial statements would be more understandable if they were presented in a comprehensive but succinct annual financial report". What Mr. Desautels was calling for was a financial report similar to the annual reports published by corporations in the private sector. The government has done just that. To make the financial statements of the Government of Canada more understandable to the public we added a new section to the 1993 public accounts.

[*Translation*]

For the first time, we gave a summary of this year's economic developments, a review of our financial situation and a set of consolidated financial statements. The new graphs and organization charts present complex financial data in a way that is easy to understand.

[*English*]

In his remarks to the Canadian Club, Mr. Desautels specifically lauded the new section in the public accounts which he said included a number of indicators that should help Canadians gain a better appreciation of the government's financial condition. On the same occasion the Auditor General gave the government good marks for beginning the process of improving information about deficits and debt and for opening up the budget process.

This government made great strides in opening the budget process through pre-budget consultations. The Minister of Finance met hundreds of Canadians and heard from them directly what they felt had to be done to turn the economy around and create jobs and to restore Canadians' faith in the future.

In conclusion, I have emphasized the importance of the contribution the Auditor General makes to a better understanding of the issues facing the government. There is no doubt that the Auditor General's work is an important stimulus to constructive action.

However would this stimulus be any greater if Mr. Desautels reported to Parliament several times a year? We have a system now that is working well to the benefit of all Canadians. Would we lose more in coherence, comparability and impact than we would gain? These questions deserve the most careful scrutiny.

Mr. Gordon Kirkby (Prince Albert—Churchill River): Mr. Speaker, I am very pleased to address the House on the frequency of reporting by the Auditor General. I would like to compliment the hon. member for Ottawa—Vanier for introducing this bill.

All members of the House are aware of the valuable contribution the Auditor General makes every year in improving the way the government spends the taxpayers' money. All of us look forward as do the taxpayers and the media of this country to the annual fall ritual of the tabling of the Auditor General's report.

The Auditor General as an institution in Canada dates back to before Confederation. There was a time in our land when every cheque issued by the government had to be pre-approved by the Auditor General.

(1430)

The role of the Auditor General has changed considerably since then, as has the way government works. Yet the Auditor General remains the independent watchdog for this House and for the taxpayer. The hon. member for Ottawa—Vanier is right in trying to make sure that the job is well done.

We should keep in mind that the Auditor General does not act in isolation. His work supports and affects that of other institutions and mechanisms in place to guard over the management of government. The financial program management of de-

partments is scrutinized by the Treasury Board secretariat, by internal auditors as well as evaluators who work in concert with the Auditor General to provide an efficient and effective system of controls over the management of the public service.

The Auditor General's present mandate and his general approach including the fact that he reports annually dates back to 1977 when the present Auditor General Act was passed by this House.

Much of the preparatory work for that act was done by an independent review committee which examined the responsibilities, relationships and reporting procedures of the Auditor General's office. I should note that at that time the committee recommended that the Auditor General should report annually to this House and not periodically.

It will soon be 20 years since that report was tabled in this House. The hon. member for Ottawa—Vanier is right to call for a review of the issue of frequency of reporting. However, I would like to take this opportunity to build on my colleague's efforts and suggest that as much has changed in those past 20 years this House should take a broader look and look at other issues concerning the Auditor General's mandate and procedures which the passage of time now calls into question.

This is a very different world from what it was in 1977. At that time the government was expanding and there were serious and legitimate concerns about the adequacy of existing financial and management controls. The then Auditor General, Mr. Macdonnell, did us all a great service by bringing this to the attention of this House in no uncertain terms.

Things are quite different today. The public service is no longer growing and the reduction in the operation budgets of departments is imposing a discipline of its own. Things have changed and it may be that the Auditor General's usefulness to this House is constrained not just by the annual reporting requirement but by other limitations as well.

There are a number of areas I would like to recommend that this House explore as part of a review of the mandate and operational procedures of the Office of the Auditor General. For example, I note the hon. member who brought forward this bill expressed considerable concern during the recent hearings of the standing committee on external affairs of which he is the chairman about what role the Auditor General should have in commenting on government policy.

If we look at the Auditor General Act we find that section 7 sets out in detail the responsibilities of that office. Specifically it tells the Auditor General to report on instances of unauthorized spending, lack of due regard to economy and efficiency, and the lack of procedures to measure and report on the effectiveness of a program.

Private Members' Business

It does not authorize the Auditor General to report directly on the effectiveness of programs but rather only on whether there are systems in place to measure and report on effectiveness. This is an issue which the Auditor General has struggled with for several years.

If we look at his reports over the last 15 years it becomes evident that on some occasions the Auditor General decided that in the public interest it was necessary to go beyond a strict interpretation of his mandate and report on programs which he felt were ineffective.

There are other issues which I am sure the Auditor General would like this House to review which are at least as important to the Auditor General as the frequency of reporting. They include for example the question of resources.

In the late 1970s and early 1980s the Auditor General's resources grew faster than those of the government as a whole as it staffed up to meet its new mandate under the 1977 Auditor General Act. In 1977–78 the Auditor General's office spent about \$20.5 million while its estimates for 1994–95 are for over \$56 million.

(1435)

If this House sees fit to change the reporting requirements of the Auditor General it should take the opportunity to examine whether such a change would affect the resources necessary to carry out this modified mandate.

I do not think there is anybody in this House who would wish to increase the costs of the Auditor General's office. However perhaps changing the reporting mandate as proposed could actually reduce the budget of the Auditor General's office.

At present over half the staff of the Auditor General is in the senior management category, a significantly greater proportion than in the rest of the public service. Part of the reason for this is having to staff up to meet the one annual deadline for all chapters of the report simultaneously. If the Auditor General were to go ahead with a format of periodic rather than annual reporting, would this enable him somehow to streamline his operations?

Finally there is the issue of who audits the Auditor General. I know the Auditor General is concerned with retaining his independence. At the same time like any other public institution, he knows he must be accountable for the resources he consumes and the quality of his work. At present there is no mechanism by which the Auditor General is made to account in a detailed way for his operations.

As you can see, Mr. Speaker, there are quite a number of issues waiting to be tackled if we are looking at the mandate of the Office of the Auditor General.

Private Members' Business

It is in the best interests of this House and of the Canadian taxpayers to make sure the mandate and resources of the Auditor General are right for the job which we want him to carry out. In my opinion these issues are interrelated. I would prefer that this House deal with all of these issues as a package and not on a one by one basis.

In conclusion I agree with the hon. member for Ottawa—Vanier that it is time to review how the Auditor General reports to this House. However we should look at all related issues and not just the frequency of reporting to make sure the Canadian taxpayer gets the most out of the work of the Office of the Auditor General at the lowest cost.

Thanks to the member for Ottawa—Vanier for making this debate relevant to this House and bringing it forward so we can all do a better job for the taxpayers of this great nation.

Mr. Tony Valeri (Lincoln): Mr. Speaker, I speak with great pleasure on this bill to amend the Auditor General Act, introduced by the hon. member for Ottawa—Vanier.

The issue of whether the Auditor General Act should be amended to allow the Auditor General to report the findings of his audits as often as he deems necessary or when he has completed each audit rather than just annually has been discussed in this House on many occasions over the last 10 years.

The hon. member for Ottawa—Vanier has been a long time supporter of this notion. His experience as a former chairman of the public accounts committee has undoubtedly given him good reason to propose such an amendment to such a significant piece of legislation. It is important that we have this debate today.

As I understand it the primary reason for introducing such a change is to ensure that Parliament and the public accounts committee receive and have the opportunity to discuss the important findings of the Auditor General on a more timely basis. This implies that corrective action could be taken on a more timely basis and that Parliament would be in a better position to influence that action.

I also understand this approach to reporting may lead to certain efficiencies within the Office of the Auditor General. These are admirable goals.

I also note as has been argued that other countries such as the United Kingdom and the United States have a system of periodic reporting. This does not mean, however, that we should jump on the bandwagon without serious debate and consideration of the issues.

(1440)

The United States of course has a system that is quite different from our own and even the United Kingdom has different needs and traditions.

The issue of reporting was discussed fully when the Auditor General Act was first introduced in 1977. It was the considered opinion of the experts at that time that annual reporting best suited the needs of the Canadian Parliament. It was felt that annual reporting was appropriate because it relates to the annual issue of public accounts. It facilitates consideration by Parliament which operates on an annual expenditure cycle. It introduces a note of regularity into the report process and it makes it possible to compare from one year to the next.

It is interesting to note also that the provinces have similar reporting requirements to those of our Auditor General. There must be some reason why, although there seems to have been general consensus in previous debates on the purposes of these proposed amendments, no government to date has taken action to amend the act.

There are several possibilities for this lack of action. One reason may be that the Auditor General already has the authority to make special reports to Parliament. Section 8 of the current act allows him to make a special report to the House of Commons on any matter of pressing importance or urgency that in his opinion should not be deferred until the presentation of his annual report. This provision ensures that Parliament can be informed of major issues as determined by the Auditor General on a timely basis.

Another reason may be that there was concern that allowing the Auditor General to report more often during the year would lead to a loss of focus by both parliamentarians and Canadians at large on the results of the Auditor General's work.

The annual focus on the Auditor General's report is most important. As we well know, it is this attention, this potential to effect change through public scrutiny, that makes the work of the Auditor General so valuable.

I think, however, that the real issue here is what would be the impact of the proposed changes on the independence of the Auditor General. We would not want to support changes that would in any way put at risk the effectiveness of the Auditor General. I am sure the hon. member for Ottawa—Vanier concurs.

The Auditor General is held in such high esteem by parliamentarians and Canadians and his findings are given such credence primarily because he is seen as being independent from government and above the politics of Parliament.

If the Auditor General were put in the position of bearing the sole responsibility for choosing the timing of his reports, as suggested by this bill, he might be faced with the dilemma of presenting a report on a subject currently being hotly debated in the House. There is real risk that one or the other side of this House would perceive that as being in some way partisan.

Private Members' Business

Just one ill-considered accusation by a member of this House or by the media could affect the non-partisan image that all Canadians have of the Auditor General. It would therefore be regrettable if the timing of the tabling of individual reports were to become yet another concern for the Auditor General's busy office.

There was further concern. Under the present system the Auditor General is free to choose the areas and issues he wishes to audit and report on. The office of the Auditor General has a very considered planning process that has served us well. Of course, when choosing he takes into consideration the concerns of parliamentarians and Canadians. If, however, he reports more frequently he may be put under increasing pressure by parliamentarians, committees, the government and the media to address hot topics of the day.

As I mentioned earlier, the general accounting office in the United States does issue its reports—

[*Translation*]

The Deputy Speaker: Order. The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93, the item is dropped to the bottom of the order of precedence on the Order Paper.

[*English*]

May I wish all members a very happy Christmas, Joyeuses Pâques.

Some hon. members: Oh, oh.

An hon. member: Easter, Mr. Speaker.

The Deputy Speaker: Oh, Easter. Thank you to the hon. member.

It being 2.46 p.m., the House stands adjourned until Monday, April 11, 1994 at 11 a.m. pursuant to Standing Order 28(2) and 24(1).

(The House adjourned at 2.46 p.m.)

240 Sparks Street
Ottawa, Ontario
K1A 0G6

22 March 1994

Mr. Jean-Robert Gauthier, MP
House of Commons
Room 443-S
Centre Block
Ottawa, Ontario
K1A 0A6

Dear Mr. Gauthier

I was pleased to learn that your Private Members' Bill C-207 to amend the Auditor General Act had been selected for consideration by the House and that it has been declared a votable Item. As you well know, my Office wholeheartedly supports this adjustment to our enabling legislation which would allow us to report our audits on a more timely basis.

The purpose of this letter is to reaffirm for you the major reasons why we feel the change proposed in your Bill would operate to the advantage of all parties affected including government, Parliament, this office and the taxpayers of Canada.

First, Parliament, including the Standing Committee on Public Accounts, would benefit from having more timely audit reports and being able to ensure more quickly that appropriate corrective action is taken. With the current annual report, audit findings can be more than a year old by the time they are tabled in the House. Parliamentarians could keep informed more effectively about the results of my audits if they were presented in a series of smaller reports through the year rather than in one large volume of some 700 pages. We would also be able to respond more rapidly to emerging Parliamentary interest, including those of standing committees, by reporting on completed audits when Parliament is interested in the issue.

Second, there would likely be reduced intensity of media coverage and less concentration on the more negative findings that seem to be natural by-products of the once-a-year "event" created by annual reporting. A related benefit is that the positive findings reported by my office would have a greater chance of surfacing since they would not be submerged by the negative findings set out in one annual report. Government managers, including the central agencies, would have a better chance of digesting and reacting appropriately and in a timely fashion to findings presented in a series of smaller reports.

Third, we believe that the central agencies of government would benefit from the more timely support for their various initiatives to improve management of government programs across all departments that would result from reporting our audits on a more timely basis. Periodic reports would also assist the central agencies in monitoring compliance with their guidelines and in taking early action to correct emerging government-wide problems.

Fourth, this office would benefit from efficiency improvements resulting from completing work in process rather than having to put it aside and then pick it up again at the time of tabling the annual report. The disruptive affect of the annual report tabling on the smooth and orderly flow of work through this office cannot be overemphasized.

Ultimately, the taxpayers of Canada will be the main beneficiaries. Earlier reporting of audit results will lead to faster correction of problems. And this means greater savings, reduced risk and better management generally of government programs.

Times have changed since the annual reporting requirement was established by Parliament in 1977. The business of governing is more complex. There is more information moving faster on more aspects of government today than in 1977. Periodic reporting is one way of helping all stakeholders in the work of my office deal with this increased information flow.

The trend over the last ten years in national audit offices around the world has been away from annual reporting to the reporting of audit results when the job is completed. The United Kingdom and Australia are two examples of this shift. The Comptroller

General of the United States has always reported his findings to Congress when the work is completed. From our exposure to the practices of other nations' audit offices, it seems fairly safe to say that periodic reporting is becoming the norm around the world. In our view, this would be a good time for Canada to join the trend.

I hope you will find these thoughts helpful. Should you wish to share them with any of your Parliamentary colleagues, please feel free to do so. I would be pleased to discuss any of these points with you.

Yours sincerely,

A handwritten signature in black ink, appearing to read "L. Denis Desautels". The signature is stylized with large, sweeping loops and a long horizontal stroke at the end.

L. Denis Desautels, FCA
Auditor General of Canada

TABLE OF CONTENTS

Friday, March 25, 1994

Privilege

Language Usage—Speaker's Ruling

The Deputy Speaker	2775
--------------------------	------

GOVERNMENT ORDERS

Budget Implementation Act, 1994

Bill C-17. Motion for second reading	2775
Mr. Eggleton	2775
Mr. Harper (Calgary West)	2775
Mr. Milliken	2776
Mr. Boudria	2777
The Deputy Speaker	2778
Mr. Eggleton	2778
Mrs. Lalonde	2781
Amendment	2783
The Speaker	2783

STATEMENT BY MEMBERS

Commemorative Stamp

Mr. Steckle	2783
-------------------	------

Figure Skating

Mr. Dubé	2783
----------------	------

Justice

Mrs. Brown (Calgary Southeast)	2784
--------------------------------------	------

Hockey

Mr. Murphy	2784
------------------	------

Anna Paquin

Mr. Duhamel 2784

Jury Duty

Mr. Harvard 2784

Unemployment Insurance

Mr. Bernier (Mégantic—Compton—Stanstead) 2784

Elvis Stojko

Mr. Harper (Simcoe Centre) 2785

Agriculture

Mr. Easter 2785

Fetal Alcohol Syndrome

Mrs. Terrana 2785

Parliamentary Associations

Mr. Bryden 2785

Francophone and Acadian Minorities

Mr. Pomerleau 2786

Justice

Mr. McClelland 2786

The Economy

Mr. Boudria 2786

Senior Citizens

Mr. Simmons 2786

Semaine provinciale du français

Mrs. Ringuette—Maltais 2786

ORAL QUESTIONS

Interest Rates

Mr. Gauthier (Roberval)	2787
Mr. Martin (LaSalle—Émard)	2787
Mr. Gauthier (Roberval)	2787
Mr. Martin (LaSalle—Émard)	2787
Mr. Gauthier (Roberval)	2787
Mr. Martin (LaSalle—Émard)	2787

Unemployment Insurance

Mrs. Lalonde	2787
Mr. Martin (LaSalle—Émard)	2787
Mrs. Lalonde	2788
Mr. Martin (LaSalle—Émard)	2788

The Economy

Mr. Hermanson	2788
Mr. Martin (LaSalle—Émard)	2788
Mr. Hermanson	2788
Mr. Martin (LaSalle—Émard)	2788
Mr. Hermanson	2788
Mr. Martin (LaSalle—Émard)	2789

Job Creation

Mr. Chrétien (Frontenac)	2789
Mr. Fontana	2789
Mr. Chrétien (Frontenac)	2789
Mr. Massé	2789

National Revenue

Mr. Harper (Simcoe Centre)	2789
Ms. Whelan	2789
Mr. Harper (Simcoe Centre)	2790
Ms. Whelan	2790

Bio-Vac

Mrs. Guay	2790
-----------------	------

Mr. Dingwall	2790
Mrs. Guay	2790
Mr. Dingwall	2790

Justice

Mr. Ramsay	2790
Mr. Rock	2790
Mr. Ramsay	2791
Mr. Rock	2791

Trade

Mr. Bergeron	2791
Mr. Harb	2791
Mr. Bergeron	2791
Mr. Harb	2791

Publishing Industry

Mr. Wood	2791
Mr. Dupuy	2791

Board of Referees

Mr. Gouk	2791
Mr. Bevilacqua	2792
Mr. Gouk	2792
Mr. Bevilacqua	2792

Social Housing

Mrs. Debien	2792
Mr. Dingwall	2792
Mrs. Debien	2792
Mr. Dingwall	2792

Fisheries

Mr. Cummins	2792
Mr. Tobin	2793
Mr. Cummins	2793

Mr. Tobin 2793

Preston and Area Development Fund

Mr. MacDonald 2793

Mr. Dingwall 2793

Publishing Industry

Mrs. Tremblay (Rimouski—Témiscouata) 2793

Mr. Dupuy 2793

Mrs. Tremblay (Rimouski—Témiscouata) 2793

Mr. Dupuy 2794

Hyundai Motor Company

Mr. Silye 2794

Mr. Martin (LaSalle—Émard) 2794

Mr. Silye 2794

Mr. Martin (LaSalle—Émard) 2794

ROUTINE PROCEEDINGS

Public Service Employment Equity

Mr. Eggleton 2794

Ways and Means

Notice of Motion

Mr. Peters 2794

Public Service

Mr. Eggleton 2794

Mr. Laurin 2796

Mr. McClelland 2796

Committees of the House

Procedure and House Affairs

Mr. Milliken 2797

Human Resources Development

Mr. LeBlanc (Cape Breton Highlands—Canso) 2797
Mrs. Lalonde 2797

Railway Safety Act

Bill C-21. Motions for introduction and first reading
deemed adopted 2797
Mr. Peters 2797

Divorce Act

Bill C-232. Motions for introduction and first reading
deemed adopted 2798
Mrs. Jennings 2798

Committees of the House

Procedure and House Affairs

Mr. Milliken 2798
Motion moved and agreed to 2798

Finance

Mr. Milliken 2798
Motion moved and agreed to 2798

Petitions

Taxation

Mr. Duhamel 2798

Violent Crime

Ms. Phinney 2798

House of Commons

Mr. Rideout 2798

Questions on the Order Paper

Mr. Milliken 2798

GOVERNMENT ORDERS

Budget Implementation Act, 1994

Bill C-17. Consideration resumed of motion	2799
The Deputy Speaker	2799
Mr. Harper (Calgary West)	2799
Mr. Milliken	2804
Mr. Forseth	2806
Ms. Meredith	2807
Mr. Gouk	2808
Mr. Dubé	2808

PRIVATE MEMBERS' BUSINESS

Auditor General Act

Bill C-207. Motion for second reading	2810
Mr. Gauthier (Ottawa—Vanier)	2810
Mr. Pomerleau	2812
Ms. Meredith	2813
Mr. Duhamel	2814
Ms. Phinney	2815
Mr. Kirkby	2816
Mr. Valeri	2818