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OFFICIAL REPORT  
(HANSARD)

**Friday, April 15, 1994**

**Speaker: The Honourable Gilbert Parent**

# HOUSE OF COMMONS

Friday, April 15, 1994

The House met at 10 a.m.

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*Prayers*

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## GOVERNMENT ORDERS

[*English*]

### BUDGET IMPLEMENTATION ACT, 1994

The House resumed from April 14 consideration of the motion 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; and of the motion.

**The Acting Speaker (Mrs. Maheu):** Resuming debate. The hon. member for New Westminster—Burnaby.

Is the House ready for the question? The question is on the motion of Mr. Milliken. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mrs. Maheu):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mrs. Maheu):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Mrs. Maheu):** In my opinion the yeas have it.

*And more than five members having risen:*

**Mr. Milliken:** Madam Speaker, in case a vote is called for, I wonder if there would be unanimous consent of the House to defer the taking of the vote until 5.30 p.m. on Tuesday next.

[*Translation*]

**Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies):** Madam Speaker, on a point of order. We were supposed to have a debate today on Bill C-17.

**An hon. member:** You were not there.

**Mr. Pomerleau:** We are now.

**The Acting Speaker (Mrs. Maheu):** When I called the debate, not a single member rose to take the floor, and in that case, the question is put. Members who wish to speak in debate must be in the House and rise in their seat.

**Some hon. members:** Hear, hear.

**The Acting Speaker (Mrs. Maheu):** Order, please.

**Mr. Alfonso Gagliano (Saint-Léonard):** Madam Speaker, if I am not mistaken, I believe you gave everyone plenty of time. Personally, I said “question” more than five times. You looked around the House. You even asked members whether they wanted to speak. When no one rose, you rose yourself to put the question. Everyone was given plenty of time. I am sorry. We were prepared to have a debate, but now the question has been put. That is how it is.

**The Acting Speaker (Mrs. Maheu):** A motion has been moved to defer the taking of the division until 6.30 p.m. next Tuesday.

Is there unanimous consent for deferring the division?

**Some hon. members:** Yes.

**Some hon. members:** No.

**The Acting Speaker (Mrs. Maheu):** Pursuant to Standing Order 45(6), a recorded division on the motion stands deferred until 6.30 p.m. on Monday, April 18, 1994.

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## INCOME TAX ACT

On the Order: Government Orders: Bill C-9, an act to amend the Income Tax Act, reported by a committee without amendment.

**An hon. member:** Point of order, Madam Speaker.

**The Acting Speaker (Mrs. Maheu):** The hon. member for Richmond—Wolfe, on a point of order.

**Mr. Gaston Leroux (Richmond—Wolfe):** Madam Speaker, I told you, and I want to make it clear, that my colleagues and I did not hear the request for debate. We simply heard a question, not that debate was being called.

Madam Speaker, I would ask you to please reconsider your decision.

*Government Orders*

**The Acting Speaker (Mrs. Maheu):** I called debate after the clerk read the Orders of the Day.

(1010)

**Mr. Réal Ménard (Hochelaga—Maisonneuve):** On a point of order, Madam Speaker. We were both in our seats when you asked if we wished to proceed with the debate. We answered by saying “*débat*”, because we do want to speak on this bill. I do not understand—

**The Acting Speaker (Mrs. Maheu):** I would point out to the hon. member that when the Chair calls for the debate to begin, a member must rise in his place. No member did in fact rise when I called for debate.

[*English*]

**Mrs. Diane Ablonczy (Calgary North):** On a point of order, Madam Speaker. I would like to support the comments on the point of order made by my other colleagues on this side of the House. Our members also were here prepared to debate. We did not hear the Chair indicate that this was an appropriate time to begin the debate. We believe this debate should go forward this morning as we have clearly indicated we are prepared to do. We have submitted speakers to the Chair. It was obvious that we were ready to go ahead and we think that the process should have allowed us to hear and realize that this was the time to do that.

**The Acting Speaker (Mrs. Maheu):** In response to the point of order by the hon. member for Calgary North, I called the debate, I named one of the ridings on the member’s list effectively. That member was not in his place and did not rise. The question was called for and once I have called the question it is too late to go back to debate unless we have unanimous consent of the House.

[*Translation*]

**Mr. Michel Gauthier (Roberval):** Madam Speaker, on a point of order. It has always been my impression that the goal of this House is to allow members to speak on issues put before Parliament by the government. In this particular instance, I would point out that in order for the debate to flow smoothly, insofar as the translation in both official languages is concerned, the Chair must co-operate with members and show considerable understanding, and vice-versa.

As far as this particular debate is concerned, members were prepared to speak. That includes members of our party and of the other party as well. My colleagues indicated to me that they were somewhat unclear on the approach taken to this debate. They did not understand exactly at what point in the proceedings the Chair was and they wonder if perhaps the Chair could not have been a little more tolerant toward the members who wanted to speak on this subject, in particular the member for Anjou—Rivière-des-Prairies, even though apparently they had missed their opportunity to do so.

I think one thing should be made clear. We need your co-operation to ensure that the proceedings flow smoothly, as the government needs ours. The smooth running of Parliament depends on this mutual trust. Tricks should not be played on members and the Chair should not move hastily to ask if someone wishes to speak and when no member rises immediately, move on to something else. We know that the Standing Orders require that we ask for the floor. We have an agreement which works very well for Question Period. Members do not have to clamour to be recognized. The Speaker proceeds in a specific order. Some customs in this House cannot be overlooked. If my colleagues were to understand from your decision that they must now rise and shout in order to be recognized, then the complexion of this House could change rather dramatically.

(1015)

Madam Speaker, I respectfully ask that you reconsider your decision and allow our colleagues to speak. Our goal is not to muzzle members, but to give them an opportunity to speak.

**Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons):** Madam Speaker, there is obviously a problem here this morning but, in my opinion, the problem is not on the government side.

When the House met, you called for debate on the question before the House, on this bill at second reading, twice. Yes, you called for debate twice and you even called on a member who was not in the House to start the debate. The member was not here. Only two Bloc members were here in the House. And I am sure that these two members could not have participated in the debate because the member for Richmond—Wolfe has already delivered his speech on this bill; he cannot make another one.

**Mr. Leroux (Richmond—Wolfe):** I was here. I rise on a point of order, Madam Speaker.

**Mr. Milliken:** No. I am on a point of order. Wait for your turn.

May I refer all members and you, Madam Speaker, to Standing Order 17:

Every Member desiring to speak is to rise in his or her place, uncovered, and address the Speaker.

[*English*]

It is vital that members rise. No one rose to debate. We sat here and called for the question and finally after a lengthy delay—I submit a more than adequate delay—Your Honour put the question to the House. The question was put, the votes were called for, and then members realized after the vote had been called for that there was a problem because they wanted to debate.

There is a third reading on this bill. Members will have ample opportunity to debate the bill at third reading. We have had three days on the bill already. I do not understand why there is an objection now, after the vote has been taken, when none of them

*Government Orders*

was here ready to debate when the order was called at ten o'clock.

It is not the responsibility of the government to do more than make the opportunity available. It was available. The members failed to show up and now they are complaining about it. Madam Speaker, you cannot be responsible for their tardiness.

[*Translation*]

**The Acting Speaker (Mrs. Maheu):** The hon. member for Richmond—Wolfe has risen. Does he want to speak to the same point of order?

**Mr. Gaston Leroux (Richmond—Wolfe):** Yes, Madam Speaker. First, I would like to set the record straight. I was in this House and I did not speak in this debate.

Second, I think you were aware, as you were given the names of the speakers in this debate, that we were going to rise. Reform members had also given notice that they would rise.

I do not intend to continue and stir up a dispute. What you must realize, regarding our mutual co-operation in this debate, is that we in the Bloc did not quite understand the meaning of your announcement. This is why we are asking you to exercise your authority and your good judgment. We misinterpreted your remarks.

So if in the future we in the Bloc must alter our relationship regarding this co-operation, you must tell us clearly that sometimes you cannot make use of your good judgment to allow the debate to go on. And I think the party in power should consider that what is important in this part of House proceedings is to allow members to speak to get through the whole process in a democratic fashion. That is basically why we make speeches. It is a matter of democracy.

And if the party in power wants to muzzle us this morning, knowing full well that we had members ready to speak, Madam Speaker, I call on your good judgment and ask you for a ruling.

**The Acting Speaker (Mrs. Maheu):** The hon. member for Charlevoix on the same point of order.

(1020)

**Mr. Gérard Asselin (Charlevoix):** Madam Speaker, with all due respect I think that the authority over this House rests with the person occupying the Chair; you are vested with that authority.

Earlier, at the opening of the sitting, to make the Chair's job easier, I tabled on behalf of the Bloc Québécois the complete list of our members who wished to speak. Two of my colleagues from the Bloc Québécois had taken their seats when I handed in my list at the Clerk's table. At the same time, you asked: "Are

there hon. members who wish to ask questions?" At that precise moment, I was at the Clerk's table dropping off my list in duplicate, with one copy for the Clerk and one for the Chair, to help identify those members who were to speak.

When you called a member from the Reform Party to speak, if he was not here at the time, you should have called the next speaker, namely Gérard Asselin, member for Charlevoix, the first name on that list. I was right here, at the Clerk's table.

**Hon. Fernand Robichaud (Secretary of State (Parliamentary Affairs)):** Madam Speaker, I could not agree more with the hon. member for Roberval when he says that co-operation from all hon. members in all parties and from the Chair is essential to the proper operation of this House. But I would like to add that the same kind of co-operation must be shown by members in debate, when we have to rise to indicate to the Chair our desire to speak.

That did not happen, and seeing that no one was rising in his or her place, you simply put the question, which was perfectly in order. Madam Speaker, for the sake of preserving the good will prevailing in this House, we would be prepared, on this side, to consent to revert to debate and give these people the chance to speak. We are prepared to do this to accommodate you as well as the hon. members opposite.

**The Acting Speaker (Mrs. Maheu):** I just want to remind hon. members of this House that the orders of the day had been called and that I had called for debate. Not one single member rose in his or her place, as required for debate. Furthermore, the government side asked for the question to be put. As no hon. member indicated a desire to speak, I then put the question.

I would have a question for the government whip. Could the unanimous consent of the House be sought to revert to debate?

The hon. member for Roberval has the floor, on a point of order.

**Mr. Gauthier (Roberval):** Madam Speaker, I understood the Secretary of State to say that he allowed the debate to resume. So, quite simply, that means the government no longer objects.

**The Acting Speaker (Mrs. Maheu):** Order! I am sorry to interrupt the hon. member, but his microphone is not on. The whip's mike was not on.

So let us go back. Is there unanimous consent of the House to revert to the debate on Bill C-17?

[*English*]

**Mr. Milliken:** Madam Speaker, we will give unanimous consent to the proposition on the understanding that the question will be put on the motions by the conclusion of the time allotted for government orders this day.

*Government Orders*

[Translation]

**The Acting Speaker (Mrs. Maheu):** Is there unanimous consent?

**Some hon. members:** Agreed.

**Mr. Gauthier (Roberval):** I would have a question for you, Madam Speaker.

We are satisfied with the decision just rendered and the agreement just made in this House. Nevertheless, for our future guidance, I gather from your decision that the indicative lists of speakers that we provide you are no longer useful and are worthless. We have always been opposed to providing the Chair with a list of members who should speak in the question period during debate.

(1025)

I must conclude from your decision that these lists are no longer useful in our work and that members will have to ask for the floor as the debate proceeds. That is how I understand your decision. I would like you to enlighten me on that, because we will not make a list just for the fun of it. We will proceed differently in future.

**The Acting Speaker (Mrs. Maheu):** The lists are still very useful, but they are to be seen only as a guide. Members must rise in their place to be recognized.

[English]

**Mrs. Ablonczy:** I rise on a point of order, Madam Speaker. I would like to clarify events. We too are happy that the debate can go forward as it ought to so that everyone can be heard on the matter. However, when one of our members was recognized who was not present—

**The Acting Speaker (Mrs. Maheu):** I am sorry to interrupt the hon. member. We have responded many times that you are just as essential but it is more essential that the member called be seated in his or her seat.

We have resolved the question and I resume debate with the hon. member for Charlevoix.

\* \* \*

[Translation]

#### **BUDGET IMPLEMENTATION ACT, 1994**

The House resumed consideration of the motion 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; and of the motion.

**Mr. Gérard Asselin (Charlevoix):** Madam Speaker, I am pleased to participate this morning in the debate at second reading of Bill C-17, which deals with the budget.

Let me give a little background on Canada's budget, debt and deficit. In 1980—when the Liberals were in office—a debt was generated, as well as a deficit which set the first record. Four

years later, in 1984, the debt had climbed to \$187 billion with Prime Minister Pierre Elliott Trudeau in charge, and the current Prime Minister, Mr. Chrétien, as his Minister of Finance.

From 1980 to 1984, 74 of the 75 members representing Quebec in this House were Liberals. There was only one Conservative MP in the province, namely Roch LaSalle from Joliette. What did the Liberal members representing Quebec do in this House? Were they muzzled by MPs from English Canada?

The debt of \$187 billion which the Conservatives inherited from the Liberals in 1984 had grown to \$500 billion by 1993. In 1988, the riding of Charlevoix was represented by a Conservative member; however, it was represented by a Liberal from 1980 to 1984.

Between 1984 and 1993, the member for Charlevoix and Prime Minister of Canada, Brian Mulroney, was at the helm and left a debt of \$500 billion, which costs Canadians \$108 million every day in interest charges. Six months later, Canada's debt stands at \$525 billion, costs \$110 million a day in interest, and the Liberal government is proud of the Minister of Finance's budget. A deficit of \$39.7 billion—which sets the second record in this House—is something unheard of until now. The government wants to reduce the deficit by creating deficits. Many Liberal MPs are uncomfortable with this \$39.7-billion deficit but, unfortunately, when the vote is taken in this House, the Liberals, who are too uncomfortable to discuss this issue, will prove us right and vote for their budget because they are once again muzzled by the government.

(1030)

Madam Speaker, you cannot gag members for years and years. If you do, they will try to speak from the side of their mouths and those who enjoy a long career in this House might end up with a crooked mouth. Liberal members must have the opportunity to vote freely on the budget, which will then undoubtedly be rejected.

There is no light at the end of the tunnel. This budget contains a lot of increases. People in Charlevoix will be affected by all these measures, since the government has increased unemployment insurance premiums for workers and taxes for the elderly. It has increased the deficit as well as the number of unemployed Canadians and helped to create a feeling of social insecurity in this country. Unfortunately, all of this will have a negative impact on my constituents in Charlevoix.

The budget does not only include increases, it also contains cuts that we have to mention here, if only to be honest. Social programs are cut by \$7.5 billion over three years. Instead of dealing with unemployment, the government has chosen to go after the unemployed. The government also cut social housing and daycare programs, as well as assistance to low-income families, job training, post-secondary education, assistance to single-parent families, help for families with handicapped people and programs to help the handicapped re-enter the labour force. All this in the International Year of the Family.

*Government Orders*

The government did not take its responsibilities. It has no backbone. It should have cut where cuts are needed. It should have cut the Senate budget, ministers' expenses and pension funds of members of Parliament. It should also have set the age of pension eligibility at 60. People in Charlevoix, in Quebec and in Canada are being hurt and this budget will only increase the poverty level. This week, the Prime Minister was pleased to tell us that the unemployment rate was down, but when unemployment decreases by 2 per cent in Quebec, welfare increases by 2 per cent.

I want to remind members that the Bloc Québécois tabled a motion in this House to set up a committee to examine all government expenditures, item by item, department by department, to review the Auditor General's recommendations and to report on these issues. Auditors General, past and present, have always done a good job. Unfortunately, their reports have always been overlooked.

The government is seeking additional revenues. In the red book, the Liberal government said it would abolish the GST. Why do they want to do so? Because this tax is visible and the Liberals want a hidden tax. Why? So they can raise the GST from 7 to 12 per cent. They want to broaden the tax base to be able to tax food products, drugs, education, volunteer organizations and charities. Who will pay and suffer? Not the senators, but workers and consumers, low-income families, seniors, single-parent families, the unemployed, students, the handicapped—of which I have many in my riding of Charlevoix. They are the ones who elected me to represent them and defend their interests. That is why I speak today, to defend their interests.

There are too many welfare recipients and UI beneficiaries in Charlevoix. Once these people have paid for rent, food, clothing and hydro, which are necessities, they cannot afford to buy medication for their children or for themselves.

(1035)

Let us look at what the government has spent. According to an old saying, money cannot buy happiness. That may well be true, but money sure helps to pay the bills. The government spent \$800 million to implement the GST, but it cost small businesses \$6.4 billion. Yes, the GST needs to be improved. Canada is going deeper and deeper into the red, the budget is in the red and the deficit is not getting any smaller under this Liberal government.

The message is clear: Quebecers do not trust the federal system anymore. The people of Charlevoix proved it on October 25. Quebecers from 54 ridings proved that they have finally

understood that the federal government is no longer effective. Liberal or Conservative, it is all the same.

I have to thank the people of Charlevoix, both the sovereignists and the disenchanting federalists, who voted for me and sent me here to protect their interests in this House today.

It was Paul Martin, the minister, who said that the House of Commons is a theatre. On October 25, the people of Quebec tried to change the actors in this House. If the House of Commons is a theatre, it is important also to change the horror movie that is playing here, the one about social insecurity in Quebec and in Canada.

Is it the politicians who spend too much or the bureaucrats who are guilty of mismanagement? I asked the Minister of Finance this question. His answer was: the politicians, of course, because we lack control mechanisms.

In closing, I would like to leave a clear message with the people of Charlevoix and of Quebec. Tomorrow's generation will have to foot the bill. I hope that Quebecers will choose the only solution that will enable us to help them. They will very soon be given another option, namely Quebec's sovereignty.

*[English]*

**Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry):** Madam Speaker, I listened to the member from the Bloc Québécois and I have to ask myself whether or not I have been working in the same Chamber, in the same Parliament of Canada, as he has this week.

I must say that even when one is in government there are many days when one shares the opposition's frustration with the speed with which things happen around here. We know that the private sector moves much more quickly than we do. It is just a fact of life.

The rules are different. The systems of checks and balances are not as rigorous as the checks and balances in Parliament but those checks and balances are here for accountability. We do not have the luxury that the private sector has of making decisions arbitrarily and flying them through the system in 24 hours.

I know there are many Canadians who would like to see it happen that way. There are days when I feel that is the way it should happen, but that is not the reality. We have accomplished some things in the last few weeks that were related to the economy of his community, my community, our country.

Look at the work that members of the Bloc, members of the Reform Party and our members have done. Look at the work that we have done in the industry committee on accessing capital to small business. It is important that members tell their constituents that the financial institutions of Canada are beginning to move. They are beginning to respond.

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Look at the tremendous announcement that we received this week from the Royal Bank of Canada on its new \$125 million venture capital fund for knowledge based industries. That is a first.

(1040)

I know it is not the be all and end all but our responsibility, and I say this to the Bloc through you, Madam Speaker, is not to just talk about the frustrations that we all go through in this institution. It is also to talk about some of the real meaningful things that we have accomplished here and we have accomplished some good things this week.

I would suggest that access to capital for small and medium sized businesses is beginning to happen and in a better way. We know we have a long way to go but members should tell their constituents about that. Part of our responsibility here is to deal in hope.

There is a second matter that I have to remind the members of the Bloc of because they are always questioning this: "What is in Canada for Quebecers? What is in Canada? Why should we be here? It is not working". I have repeated this message several times, and I am going to say it over and over: I cannot understand why the members of the Bloc refuse to talk about the announcement of the Minister of Finance on January 21, that is how far back it goes, when he announced the terms of the five year equalization renewal.

The minister announced that under the equalization act, an act of Confederation, over the next five years Quebec would receive \$70 billion over and above the other basic allocations on programs and services. That additional \$70 billion being transferred to the province of Quebec over the next five years is an unfettered, unguided, no strings attached entitlement.

Does that not mean anything to their constituents? Through Confederation, this federation of Canada, in the name of fairness—and in no way, shape or form am I questioning this—there is a \$70 billion transfer under equalization from the have provinces to the have not provinces.

By the way, for the previous five years there was about \$58 billion. We are talking over the last five years and the next five years about \$130 billion being transferred to Quebec under the equalization entitlement.

In my community no one questions that, but they think that is a meaningful amount of money. I have never heard a member of the Bloc say yes, equalization is a good thing, and they do in fact recognize it. They always stand up and say: "We are entitled to that because of the personal and corporate income taxes that we put into the treasury. We are just getting back what we put in". That is not the case. This is \$70 billion over and above that.

My point today in responding to the member for Charlevoix is that yes, there are many areas in this government where there is room for improvement and efficiency. There are some duplications that we must figure out and correct.

Of course I take an opposite position from the Bloc. If we want to talk about eliminating duplications, let us take in the area of small business programs. I would not suggest that we eliminate the duplication by just handing over all the small business programs to the province of Quebec and cancelling the national government's small business programs. I would say the reverse. Have the province of Quebec cancel theirs and let the national government operate them.

I am a traditional Trudeau trained centralist and I believe that we must have a strong national government. We must have a strong national government in order to create national programs. National programs are where we create national will. That is where we get the spirit that holds the whole country together.

(1045)

The standards whether they be in education, environment or health care should be the same whether someone gets sick in Newfoundland, downtown Toronto, Quebec City or northern Saskatchewan.

This whole notion members of the Bloc Quebecois have of wanting to destabilize and dismantle the national government ultimately works against the citizens not only of Quebec but also of every region of our country.

I just wanted to take a moment to try and convince the Bloc Quebecois members that yes, we too are not satisfied with the speed with which things are happening here. We are trying to move as fast and as aggressively as we can. However, they should not forget to tell their constituents about some of the good things we manage to get done in the House and in committees day to day.

**Mr. Paul E. Forseth (New Westminster—Burnaby):** Madam Speaker, this is the last opportunity I have during these scheduled debates to speak specifically on the budget.

The budget document outlines the Liberal version of national priorities. It certainly has now been widely accepted that this year's budget lacked courage and does not sufficiently respond to the new realities we are facing in international finance, where money and wealth have no loyalties. At the mere touch of a key on a terminal, disgruntled or nervous investors representing large blocks of funds can turn against an economy when the wrong signals are sent.

We must not forget that much of what is done in investing and international finance is in the realm of what is believed may happen in the future, what is being speculated on.

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The range of options a government has in order to perform for the international audience is becoming smaller. At this point the Canadian government still has a few choices left but these in themselves may not be available for long.

Specifically, the enactment of this bill implements various parts of the February 22, 1994 budget. It affects persons employed in the public service as well as federally appointed judges, parliamentary agents, the Governor General, Lieutenant Governors, parliamentarians and members of the Canadian Armed Forces and the RCMP.

This law extends the freeze for two years, suspends the upward movement within salary scales for a two year period and enables incentive payments to be made to indeterminate employees of National Defence, Emergency Preparedness and the Communications Security Establishment under the civilian reduction program.

It also fixes a maximum on contributions to provinces under the Canada assistance plan. It extends restrictions on the payment to provinces under the Public Utilities Income Tax Transfer Act.

It makes permanent the 10 per cent reduction in payments to railways under the Atlantic Regions Freight Assistance Act. It increases the reduction in the government share of freight rates under the Western Grain Transportation Act.

The act also allows the CBC to borrow money.

The act establishes a two tier benefit rate in unemployment insurance at 60 per cent for low earners and a basic rate of 55 per cent. It reduces employee premiums to 3 per cent of insurable earnings in 1995. There is also a new benefit entitlement schedule which addresses the link between work history and duration of entitlement. The minimum entrance requirement is increased from 10 to 12 weeks of work.

It provides that workers suspended for misconduct, who take a leave of absence or quit their jobs for a few weeks before the end of their employment will no longer be disqualified from receiving benefits for their entire entitlement period. They will not be entitled to benefits while suspended or on leave or while their contract of employment continues. The benefit of the doubt will be given to claimants on these and other issues related to just cause or misconduct where the evidence is equally balanced.

The act also authorizes the establishment and operation of pilot projects to study ways to make unemployment insurance more efficient.

That is the general description of this bill. However, it really falls short of what the country needs. I am sure the finance minister and members of the cabinet are reasonable people who realize what must be done. The problem is they do not have the political courage to do the right thing for the long term benefit of the nation, compared to the leadership it will demand in the short term to get everyone on side, the vested interests, the

self-centred thinkers, the politicians who seek to please for the short term at all costs.

That is what is represented by this bill: a government that is only beginning to say it hears what the majority are saying, rather than being prepared to act on what the majority are saying.

(1050)

The budget in general terms sounded as if it came from the Reform Party book but when one checked the numbers against the rhetoric all credibility was lost. That is why I say this bill before us today falls so short.

I am not opposing just for the sake of opposing. I truly believe that under the guise of being lean and not mean the government is discovered to be weak in what it perceives is the prescription necessary to be a manager of the national economic climate.

Compared with either the experience of other countries or with our own history, the four decades between the end of World War II and the mid-1980s were a period of some measure of economic success for Canada. The Canadian economy grew to be one of the strongest in the world. The lot in life of the average Canadian greatly improved during that period.

The basic reason was the development of our resource base. We traded our way to prosperity. However the traditional advantages that Canada has had are disappearing and we are being eclipsed. The resource sector will always be important but the rate of growth we have known because of it is gone.

We expect to enjoy continued improvement in our standard of living. If we expect to engage in the kind of public programs at home and abroad that we like then we are going to have to find a new economic vocation and vision.

Canadians are beginning to realize what is needed is a vision of a new Canada and that is coming from this corner of the House. The ethical, democratic and economic visions Reformers have developed in close dialogue with communities outline the prescription of required action, not the timid measures in this bill, but bold efficacious governance that leads with courage and compassion.

The very last thing we should do about our situation is nothing. We cannot afford to assume, like this government, that things would work out for themselves in our favour without much adaptation, without much effort or without using our creative minds. Change begins with the recognition that a problem exists.

I am encouraged that government members are increasingly sounding like Reformers. They are getting the talk. We on this side are getting through to many on the other side. Many more know in their hearts that we are right but they are part of a club, a gang that plays the political game as if it were politics as usual in Canada and that if they just talk nice and do lots of opinion polling they will keep power. Others appear to have a sincere desire to do what is right for the nation but have not yet gathered

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the courage to make a difference, to say no to what they rationally know is the wrong course for Canada.

(1055)

I invite them for once in the history of Canada to vote against this bill, vote against their club. Say to history and to all time there were members with courage and principle who acted for the national interests rather than self interests.

We must secure our economic base as a nation. As a trading nation we must be in the international trading game with courage and vigour and not shrink from trading arrangements that foster openness, yet strongly monitor the international rules, and without fear holds other players to account.

We must restructure our income security to ensure that in providing assistance from public funds those who are given priority are those who need assistance the most. We have built a comprehensive set of programs but these efforts do not adequately meet the requirements of those who should have first call on our national resources, those most in need. We will be forced to do it. We will do it ourselves in a compassionate manner or we will have it done for us in blunt terms from outside forces.

Education at all levels must have a greater level of proportion of resources. Our emphasis in education must not be just to train for a specific task but to prepare the workforce to adapt to changing opportunities. A commitment to education goes with a commitment to research. Enhancing the Canadian capacity to do the basic work of discovery and our ability to apply the results in the marketplace will also be keys to future economic success.

We have another basic economic question in Canada that is not solved by the budget. We must address interprovincial and interregional conflict. Canada must become an open market within its borders. The free movement of goods, capital, labour and cultural pursuits is fundamental.

One of the past strengths of Confederation has been that we have found ways in our political system to accommodate regional differences. Indeed Canadians are generous and tolerant of difference, but we bridle and chafe at the prospect of preference. Therefore we need a new set of institutions which can aid in bringing about a better reconciliation of regional differences.

Finally we have come to expect that we will play a positive role in the world. Attempting to help others is not a Canadian service that is new to this generation. Missionaries from Canadian churches began to play a significant role in other countries in the last century and continue to do so, as our soldiers have done in this one.

We have a proud history of making the world a more stable place and we have been prepared to pay the price. The great powers have their role. Because we are not one of them we can more uniquely play a positive role in international economic and political affairs. We can ensure that the interests of the small as well as the great are taken into account within the community of nations.

While we cast our vision afar, we must also do some repairs at home. We must erase the consequences of our misguided political ideologies and economic policies of the last decade.

In closing, for government to be effective we must be open and honest with Canadians. This will be politically hazardous for some but it will be necessary if the Canadian people are to be involved in charting Canada's course. The more we can bring democracy into this House and involve Canadians in the decision making process we will realize our potential for the 21st century.

[*Translation*]

**Mr. Antoine Dubé (Lévis):** Madam Speaker, Bill C-17 is meant to implement several provisions of the budget but the main ones are those concerning unemployment insurance.

Even though several members spoke on the subject, I think that it is worth repeating the three main changes in the House. First is the increase in the number of weeks of work required to qualify for unemployment insurance. I stress this point first because, as the opposition critic for training and youth, it is clear that the future of our young people is my top priority. Now, one of the measures that will hit young Canadians who are excluded from the workforce the hardest is the increase in the number of work weeks needed to qualify for benefits. The first job that those young people can find is often precarious and very temporary and, in my opinion, the government's measure will hit them particularly hard.

The second change is the reduction in the number of benefit weeks according to the regional unemployment rate. That kind of attack began under the Tories, with Minister Valcourt, and continues with the present Minister of Human Resources Development, even though members of the present government condemned the Conservative policy. Today, the government wants to go even further by reducing the number of benefit weeks.

The third change is the decrease in the benefit rate, which once again goes in the same direction as the change brought about by the Conservative government, by lowering the rate from 57 per cent to 55 per cent of the salary previously earned. This will affect over 85 per cent of claimants.

I would now like to mention some statistics published in today's *La Presse*; the source is none other than the Department of Human Resources Development. We learn that the changes brought about today will result in 44,000 people being deprived of UI benefits.

Is my time up, Mr. Speaker?

**The Speaker:** You still have about thirty seconds.

**Mr. Dubé:** So, this concerns every province. For instance, and members from Newfoundland will surely be interested by this, 1,635 people in that province will be affected by the increase in the entrance requirement and 1,370 will be affected by the reduction in the maximum benefit period.

Prince Edward Island is also hit hard. And so is New Brunswick, with particularly striking effects. In that province, 1,155 people will be affected by the first measure and 1,335 by the second. In the case of Quebec, 4,880 people will be affected by the reduction in the maximum benefit period.

You can thus understand that, under the circumstances, I am indignant about these changes we are asked to approve for the unemployment insurance program. I am thinking of the MIL Davie workers, whose numbers dropped from 3,000 to about 1,500 in six months. Six months from now, only 300 will remain employed; all the others will have to live on unemployment insurance benefits, which will have been reduced by these changes.

**The Speaker:** I am not sure if the hon. member has used all the time allowed; if not, he can resume after question period.

It being eleven o'clock, pursuant to Standing Order 30(5), the House will now proceed to Statements by Members, pursuant to Standing Order 31.

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## STATEMENTS BY MEMBERS

[English]

### RAIL SERVICE

**Mr. Harold Culbert (Carleton—Charlotte):** Mr. Speaker, rail service, both passenger and freight, has played an important historical role in Canada. It is an integral part of our transportation system.

Most industrialized countries have modern, efficient rail systems. In Canada we appear to be closing them down. Instead we should be modernizing them with new technologies to make them efficient and effective for the future benefit of our transportation system.

Effective and efficient rail systems are most important to the future transportation needs of all Canadians. We must review all

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opportunities for the future advancement of our rail systems instead of closing rail lines and losing them forever.

This is an important issue in my Carleton—Charlotte constituency and indeed in all of Canada.

\* \* \*

[Translation]

### HYDRO-QUEBEC

**Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies):** Mr. Speaker, I would like to point out that today is the 50th anniversary of Hydro-Quebec, a Quebec company whose skills and expertise are now recognized throughout the world.

Remember that it was René Lévesque who gave Hydro-Quebec the impetus to become an essential tool for Quebec's economic development by providing work for thousands of Quebecers and generating billions of dollars in economic benefits.

Keep in mind as well that the energy produced by Hydro-Quebec is renewable and much cleaner than coal or nuclear power. The new challenges facing society today are soft energies and energy efficiency. We must encourage this option.

In closing, I would like to mention the historic agreement in principle reached yesterday between Hydro-Quebec and the Inuit of northern Quebec. We hope that this agreement marks a new partnership between the government owned corporation and native peoples.

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[English]

### PEARSON AIRPORT

**Mr. Jim Gouk (Kootenay West—Revelstoke):** Mr. Speaker, with regard to the Pearson airport development deal I am happy to see the Liberals are honestly attempting to sweep away this tainted plan signed hastily in the dying days of the last Tory government.

The Pearson fiasco was clearly an example of unfair lobbying tactics and shady backroom dealings so typical of the Mulroney era.

I have only one real concern with the government's handling of the aborted airport deal. I believe in no uncertain terms that no compensation whatsoever should be provided to the consortium responsible for whipping up the Pearson privatization plan and then pushing it through the Tory cabinet like a knife through butter.

These people know full well any controversial contract signed during an election campaign would never hold water if the Tories were not re-elected. I ask, compensation for what? For abusing the public trust?

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I say tough luck if they lost money putting their shady plan together. I call on the government not to extend a single dime in so-called compensation payments.

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#### VANCOUVER MUSEUM

**Ms. Hedy Fry (Vancouver Centre):** Mr. Speaker, today it is an honour for me to recognize the achievements of one of the great museums of Canada.

The Vancouver Museum, Canada's largest civic museum, celebrates its 100th birthday this Sunday, April 17. To celebrate and commemorate its first century the museum is presenting the exhibition, "100 years, a million stories".

One artefact or set of artefacts from each year of the museum's history will be displayed in chronological order. Viewers will see a wing from Vancouver's first plane crash and the city's first gas pump. They will learn about a medicine woman's outfit and hear the story of outlaw Soapy Smith.

This will be an exhibition of tales untold and mysteries yet unsolved. It will amaze visitors with a century's worth of treasures bestowed by citizens and friends who cared enough to create and sustain the Vancouver Museum.

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#### CYPRUS

**Mrs. Eleni Bakopanos (Saint-Denis):** Mr. Speaker, this year marks the 20th anniversary of the illegal occupation of nearly 40 per cent of the island of Cyprus by Turkish military forces.

Canada has played an important peacekeeping role in helping to bring about a solution to the Cyprus issue. Unfortunately, the problem continues to this day.

(1105)

[*Translation*]

This week, I participated with three fellow members of this House in the 5th international conference of PSEKA Cyprus in Washington, D.C. For those three days, we had the opportunity to talk about Cyprus with several senators and members of the U.S. Congress. As we did 20 years ago, we all agreed that the problem of Cyprus has gone unresolved for too long.

[*English*]

To this day, 35,000 Turkish troops continue to occupy the island. Thousands remain displaced from their homes. Over 1,500 people are missing. Rights of free movement and ownership have yet to be re-established on the entire island.

I call upon the government to continue to support the UN resolutions and help to bring about a final resolution to this problem. It is time the human rights and freedoms of all citizens

of Cyprus were guaranteed and respected. Enough is enough, thank you.

**The Speaker:** That was a good statement right at the end.

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[*Translation*]

#### WOMEN'S SPIRIT OF ENTREPRENEURSHIP

**Mr. Alfonso Gagliano (Saint-Léonard):** Mr. Speaker, I would like to take this opportunity to draw the attention of the House to the outstanding contribution made by Canadian women to job creation and to the important role they play in the development of our economy.

The Montreal region has been well served by their spirit of entrepreneurship. Women understood the importance and potential of small businesses. The women of Montreal realize that small business are responsible for 85 per cent of the new jobs created in this country and that they need better access to capital.

Last year, 35 per cent of small businesses started in Montreal were headed by women. Furthermore, the five-year survival rate of small businesses headed by women is twice as high as the survival rate of those headed by men.

I want to congratulate these women on their courage and entrepreneurial spirit and wish them every success in the future.

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#### QUEBEC CULTURE

**Mrs. Madeleine Dalphond-Guiral (Laval-Centre):** Mr. Speaker, culture is the living memory of nations. On April 9 this year, Laval, Quebec's second largest city, wanted to draw attention to the exceptional way in which the people of Laval have contributed through their art to Quebec culture.

The entire community joins the *Académie des Arts de Laval* in congratulating Sylvie Samson, Joanne Pontbriand, Violaine Poirier, Sylvia Daoust, Michel Cailloux and Joël Des Rosiers, as well as the members of the *Théâtre d'Art Lyrique* in Laval. We also want to thank Bell Quebec for its financial support to the arts community in Laval.

I am proud and delighted to have this opportunity to say thank you for expressing so well what we are.

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[*English*]

#### GUN CONTROL

**Mr. Jay Hill (Prince George—Peace River):** Mr. Speaker, I would like to commend the justice minister for responding to the two recent slayings in Ottawa and Toronto by calling for tougher laws for violent young offenders.

It has been far too long in coming but people back home in northern B.C. are gravely concerned over other statements by the minister. He has been quoted as saying that he came to Ottawa with the firm belief that the only people in this country who should have guns are police officers and soldiers.

This is a sobering thought for millions of responsible gun owners in Canada. Why is the focus on disarming citizens because criminals continuously misuse guns?

While people in Ottawa and Toronto mourn the loss of these latest victims, one of our elderly was murdered in Val Belair in yet another senseless home invasion.

Only the criminals would have guns in the minister's city of the future and they would not have to guess, they would know that Canadians would be defenceless in their homes.

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#### UKRAINIAN ELECTIONS

**Mr. Walt Lastewka (St. Catharines):** Mr. Speaker, Ukraine has just completed the first and second rounds of its first democratic elections.

It has been more than 70 years since Ukraine has had democratic elections, but its people are rich in patience and tolerance.

They have waited very long for this day and they have worked hard to ensure the success of their democracy. They are proud to have achieved a Parliament without bloodshed and extremism during the election process.

I would like to extend congratulations to Elections Canada, especially to Andre Bouchard and Ambassador Francois Mathys for their excellent work in assisting the Ukrainian election committee during the past several months.

The Canadian government and the Canadian people have played a very significant role in Ukraine's search for democracy, its search for hope and its search for peace and a better way of life.

I congratulate Ukraine for having earned the respect of people throughout the world. May Canada and Ukraine continue to work together to make both countries prosperous.

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#### ETHANOL INDUSTRY

**Mr. Roger Gallaway (Sarnia—Lambton):** Mr. Speaker, there is considerable pressure being mounted within and outside this Chamber to persuade the finance and natural resources departments to grant sizeable tax concessions to artificially create the ethanol facility proposed for southern Ontario.

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(1110)

Certainly the creation of new industry is always welcome news but industry must be based on economics and not agrohysteria. Let us remember that this ethanol project is premised on cash infusions from government, a principle which should be disavowed.

Ethanol in jurisdictions with very high taxation can be a competitively priced fuel in relation to ordinary fossil fuels. However, such is not the case in Canada. Our refining industry provides a quality Canadian product at a competitive price.

If the proposed ethanol industry could compete on a level playing field then it will proceed successfully. Conversely, if the ethanol industry as proposed will only be viable as a result of artificial means, that is, long term tax concessions and cash donations from taxpayers totalling close to 600 million Ontario and federal dollars over 12 years, we could conclude that it is still the fuel of the future, but not that of the present.

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#### THE BAHÁ'IS

**Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons):** Mr. Speaker, the Baha'is are the largest religious minority in Iran, totalling 350,000 people. Religious beliefs are the only thing that differentiate the Baha'i from the rest of the Iranian population. Iran has classified these people as unprotected infidels and has engaged in their systematic persecution on the basis of religion.

Because of their religion Baha'is are denied basic human rights, including the right of redress or protection against assault, murder or other forms of persecution. Since 1979 there have been 201 Baha'i killed and 15 are missing and presumed dead. Baha'is are denied access to education and employment. Many have also lost their homes and savings. All of this persecution is designed to force the Baha'i to recant their faith.

Canada and the international community must continue to scrutinize the human rights situation in Iran and make every effort to encourage the full recognition of religious and human rights for the Baha'i in that country.

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[Translation]

#### MANPOWER TRAINING

**Mr. Gérard Asselin (Charlevoix):** Mr. Speaker, the Bloc Quebecois deplores the fact that the Liberal government is dragging its feet on a number of issues, including MIL Davie, Hyundai and Oerlikon. The government's inertia will be very costly to Quebec in terms of lost jobs. This is happening at a time when Quebec would need an additional 215,000 jobs to bring employment back to pre-recession levels.

*Oral Questions*

Unfortunately, the many instances of federal intrusion in provincial jurisdiction indicate that the government is anxious to extend its influence, thus creating the usual duplication and overlap. We saw this recently in the manpower training question. The federal government's desire to intervene in this field in provincial jurisdiction is a blatant contradiction of the consensus reached by all social and economic partners in Quebec.

In a nutshell, the federal government intervenes where it should not and does not intervene where it should.

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[English]

**JUSTICE**

**Mr. Randy White (Fraser Valley West):** Mr. Speaker, I would like to bring to the attention of the House a deplorable excuse that is being used by murderers in our country in order to receive lighter sentences. It is called cocaine psychosis and has affected yet another court case in British Columbia.

Dale Hicks was convicted for manslaughter, not murder, in the brutal killings of two women in their home. One of his victims was pregnant and was stabbed 17 times.

The judge ruled that the deaths are considered manslaughter because Hicks, who was high on cocaine at the time, was afflicted with cocaine psychosis and was unaware of his actions.

He was sentenced to 10 years but could be out in three and half years if he behaves in prison; three and a half years for taking the lives of two innocent people. To top it off, his lawyers have appealed the sentence, calling it excessive.

By taking an illegal drug this killer has been allowed to get away with murder. It is time justice is served by making criminals accountable for their actions—no excuses any more.

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**RAIL SERVICE**

**Mr. Murray Calder (Wellington—Grey—Dufferin—Simcoe):** Mr. Speaker, Canada's economic and social development as a nation was and is based on the strong west-east link created by our national rail lines. New Canadians and goods travelled on these rails to bring prosperity to our young nation. Now this vital part of our heritage is being ripped from the ground forever.

In my riding of Wellington—Grey—Dufferin—Simcoe the NTA is to rule on CN's application for abandonment of the Collingwood to Barrie line. This subdivision could be saved if the premier of Ontario would grant an exemption to Bill 40 so that short line operators would purchase the line.

I implore the premier of Ontario to act now and grant an exemption to Bill 40 to save this important business and historic link.

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(1115)

**PETERBOROUGH PAPER CONVERTERS**

**Mr. Peter Adams (Peterborough):** Mr. Speaker, time was when things like world-wide trading, industrial R and D, and innovation in management-worker relations were entirely in the hands of large multinational corporations.

Today increasingly we have the extraordinary phenomenon of tiny local companies working in the global marketplace living off their own technological innovations and developing creative and productive worker relations programs.

Peterborough Paper Converters is one of those. It has made great technological contributions to the coating of paper used for labels and postage stamps. Its employees are fully involved in company affairs and have developed their own systems software. Their products are exported around the world.

I know members of the House join me in congratulating the 100 or so employees of Peterborough Paper Converters on their 10th anniversary on 10 difficult but productive years. We wish these fine Canadians all the success they have earned in the years ahead.

**ORAL QUESTION PERIOD**

[Translation]

**SOCIAL PROGRAM REFORM**

**Mr. Michel Gauthier (Roberval):** Mr. Speaker, yesterday we learned that several provinces were joining forces to defeat Ottawa's plans to centralize social program reform.

In light of this revelation and further to the insulting comments of the Prime Minister who, on Wednesday, described traditional demands as whims, the National Assembly passed a unanimous motion yesterday confirming Quebec's position, on which all sides agree, to the effect that exclusive jurisdiction over manpower training should be transferred to Quebec.

Does the Deputy Prime Minister recognize that the decision to cancel the meeting is a step backward and a sign of bad faith as well as a reflection of the serious unease between the provincial and federal governments, all because of Ottawa's centralizing aims?

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment):** Mr. Speaker, what I find somewhat regrettable about the opposition party's stand is that right now,

there are 400,000 unemployed workers in Quebec. The federal government is working with the provinces to find a way that would enable the unemployed to receive training that would lead to employment.

Instead of complaining that we are trying to achieve a consensus, instead of criticizing us for our decision to take some more time in order to make the best possible decisions, the spokesperson for the opposition should be congratulating us for seeking the co-operation of all provinces. That is why we have decided, not to cancel the meeting, but only to postpone it until we are certain that we have achieved this consensus.

**Mr. Michel Gauthier (Roberval):** Mr. Speaker, yesterday the National Assembly unanimously rejected the federal government's package. Maybe the Deputy Prime Minister should take this fact into account.

My supplementary question is directed to her colleague responsible for Human Resources Development. Can the Minister of Human Resources Development give us his assurance that the decision to cancel the meeting is not simply a strategic withdrawal, that he will review his centralizing strategy and take Quebec's demands into account and that he will get back on the right track?

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification):** Mr. Speaker, the Government of Canada is committed to overhauling the social security system. We want the process to be open and we want to work in co-operation with the provinces.

In this regard, the government has a role to play in manpower training and in the labour market. To carry out its role, it must consult with all groups and governments to find ways of making the system as effective and as beneficial as possible for all Canadians.

(1120)

**Mr. Michel Gauthier (Roberval):** Mr. Speaker, the Minister of Human Resources Development confirmed yesterday that he intended to keep to his schedule and make his reform initiatives public before the end of June. Will he not admit that his bulldozing operation flies in the face of the unanimous consensus that emerged yesterday in the National Assembly and is nothing short of a constitutional incursion into the field of manpower and social programs?

[English]

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification):** Mr. Speaker, the hon. member doth protest too much.

### Oral Questions

The fact of the matter is that in the last two months we have had two major rounds of consultations with the provinces, unprecedented during that period of time. Agreements were reached in a number of areas of joint collaboration, particularly to go forward and look at ways in which we can reduce waste and duplication, where we can begin to examine a variety of initiatives we can take together. Just a week ago my deputy minister travelled throughout all provinces to discuss with them the nature of the agenda.

The hon. member says this is bulldozing. I say it is the most active process of consultation and co-operation that has been seen because we want to make this an open process.

Let us be fair about one thing. The hon. member opposite and his colleagues have no interest in this process of reform. They have no interest in co-operation. All they want to do is destroy this process because they want to destroy the country along with it.

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[Translation]

### CONFLICT IN FORMER YUGOSLAVIA

**Mr. Gaston Leroux (Richmond—Wolfe):** Mr. Speaker, yesterday, the Minister of Foreign Affairs, accompanied by the Minister of National Defence, minimized the seriousness of the situation in Bosnia by comparing it to "a last-minute glitch"; in addition, he expected a quick settlement for the 16 Canadian peacekeepers held hostage by the Serbian armed forces. We know that the situation has degenerated since then, because the Serbian forces have taken other UN troops and observers hostage, bringing the total number to 155.

Can the Minister of Defence report on the negotiations which were to begin this morning between UN representatives and the Serbian military forces for the release of the hostages?

**Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs):** Mr. Speaker, this morning, our people in Bosnia were able to contact our soldiers; the situation is calm, and I must add that the soldiers are not being mistreated.

[English]

We hope to have some resolution of this situation soon. There was a meeting this morning between Mr. Akashi, the representative of the Secretary-General of the United Nations, and the Serb leader Karadzic. I think that meeting is still going on. As soon as we have any results of that we will let members know.

I do resent somewhat the assertion of the hon. member that we are trying to minimize this. We find this situation completely unacceptable and we are very concerned.

*Oral Questions*

Given the delicacy of the problem in the former Yugoslav republic of Bosnia it is wise for everyone to be rational at this particular stage because the lives of Canadians and others are at stake.

[*Translation*]

**Mr. Gaston Leroux (Richmond—Wolfe):** Mr. Speaker, I agree with the minister that the situation is sensitive and cause for great concern. That is why my second question is for the minister.

Can the minister enlighten us on Canada's role in the present negotiations involving the UN, the United States and Russia, among others, as the Minister of Foreign Affairs mentioned yesterday in a press conference?

[*English*]

**Hon. David Michael Collette (Minister of National Defence and Minister of Veterans Affairs):** Mr. Speaker, I should point out the Minister of Foreign Affairs is in Montreal today. However he has been holding discussions throughout the early hours of this morning and right now with his various counterparts in the NATO countries. I believe he talked with Mr. Hurd a few moments ago. These discussions are going on at the highest levels with our NATO allies and with a representative at the United Nations.

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(1125)

**SOCIAL PROGRAMS**

**Mrs. Diane Ablonczy (Calgary North):** Mr. Speaker, I would like to ask the Minister of Human Resources Development how long the cancellation of Monday's federal-provincial meeting will delay the minister's social reform program?

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification):** Mr. Speaker, I do not believe it will have a major impact on the timing.

In the very delicate and complicated negotiations that must go on not only with provinces but with a number of groups of Canadians of course we are going to have to make adjustments. However I still believe we can meet a timetable of bringing in major changes by the end of this year provided we have the goodwill and collaboration. After all, there are millions of Canadians who want a change, who need change and are concerned about change. It is too bad a few individuals are attempting to put a road block in it like the hon. member who just spoke earlier.

**Mrs. Diane Ablonczy (Calgary North):** Mr. Speaker, if the government of Quebec did not want to participate in Monday's meeting, that is Quebec's business but other provinces were prepared to attend.

Why is the minister allowing the Quebec government to delay not only the federal government's planning but that of the nine other provinces as well?

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification):** Mr. Speaker, it was my decision to postpone the meeting. It was not dictated by any province. I just felt if we are going to reach agreements and if we are going to have a good climate of co-operation then we should give one province, several provinces or whatever the time they feel is necessary.

We had a useful agenda in front of us. We were going to be meeting with the aboriginal groups. We were going to be looking at some of the strategic initiatives. We were going to put in place an agenda for the reform of the child care system and get those started. However, those are all items we can continue.

As I said yesterday, I will be recommending that we have a meeting of senior officials within the next week or so. We can discuss how a further ministerial meeting can get the process under way and we can make sure that all the provinces feel they can be a full part of the process.

**Mrs. Diane Ablonczy (Calgary North):** Mr. Speaker, what Canadians really want to know is whether the minister is allowing the Government of Quebec to drive the agenda of the Government of Canada.

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification):** Mr. Speaker, the conclusions or the implications drawn by the hon. member are wrong. Let us try and put this thing into perspective.

We are doing social reform review for one simple reason. We want to get people in this country back to work. We want to give people a greater sense of income security. We want to help a lot of very poor children who are not being nurtured properly. Those are the reasons we are doing it.

We recognize in a federal system like this that we must also work carefully with all our partners. I will do everything I can to make sure all the partners feel comfortable within that process, that they are a part of that process and that it is not being dictated by one government or by one group but is an attempt to find a consensus.

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[*Translation*]

**UNEMPLOYMENT INSURANCE**

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup):** Mr. Speaker, my question is for the Minister of Human Resources Development.

According to an internal report of the Department of Human Resources Development, the unemployment insurance changes announced in the last budget will deprive some 44,000 people of UI benefits and put 19,000 on welfare.

*Oral Questions*

How can the minister justify his changes to the unemployment insurance program when they clearly restrict access to UI benefits and increase welfare rolls, without offering these thousands of people any job creation alternative?

[English]

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification):** Mr. Speaker, the first thing I would like to point out in that analysis is that the numbers are far, far smaller than the members of the opposition were claiming during budget time. In fact, they were making claims that hundreds of thousands of people would be thrown on to the welfare rolls. In fact, the best estimate we have is that it is only 19,000.

We do not take that lightly. That is the reason in the budget by the Minister of Finance we have initiated a \$6 billion infrastructure development program that according to the President of the Treasury Board will create close to 100,000 new jobs across the country. We will be putting in place a number of new employment training programs for these people. We will be stimulating small business.

The hon. member forgets that one of the real results of the budget is that by reducing the UI premiums we will in fact be creating a climate where 60,000 to 70,000 jobs will be provided. All those jobs will be available.

(1130)

It would seem to me the hon. member should be looking at how we create jobs and create growth rather than simply at how we keep a system that is not working.

[Translation]

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup):** The minister seems to have no idea what it is like when 44,000 people lose their UI benefits. Does he admit that, in addition to offloading major expenditures onto the provinces, his reform excludes 44,000 people from training programs that would have helped them to find jobs?

[English]

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification):** Mr. Speaker, I will say one thing to the hon. member. If he can get the co-operation of his colleagues, and perhaps some of his colleagues in the opposition party in the province of Quebec, we would be able in the next several months to create new programs to help deal with unemployment and to revise our social security network so we could put far more people back to work.

The purpose of our reform is to put in place systems so that people do not have to be on social assistance and do not have to be on UI but get the chance to go back to work. We want to help them to do it.

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## YOUTH EMPLOYMENT

**Mr. Jay Hill (Prince George—Peace River):** Mr. Speaker, my question is for the Minister of Human Resources Development.

Yesterday the minister suggested that one of my colleagues should not question the youth employment strategy because it had not yet been released. However yesterday's *Financial Post* carried a detailed description of the program, complete with direct quotes from the minister.

Why does the minister feel that he can comment on information leaked from his department when asked by the media, but members on this side of the House cannot even comment or ask questions?

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification):** Mr. Speaker, the youth employment strategy is still not released, contrary to all leaks by whomever.

The fact of the matter is that if the hon. member has an iota of patience, if he can wait perhaps an hour or two, he will be in full possession of exactly what we intend to do to give hope and opportunity to the young people of the country.

**Mr. Jay Hill (Prince George—Peace River):** Mr. Speaker, I thank the minister for the answer.

I have learned that he has planned a news conference for later today to release the details of the program. I may be new to Parliament but I hear that holding Friday afternoon press conferences is an old Ottawa trick. Apparently the idea is to get the information out without any chance for opposition MPs to question or criticize before the following week.

It is obvious the announcement has been ready for several days. Why is the minister trying to sneak it out the back door on a Friday afternoon?

**The Speaker:** I would caution all hon. members please not to give motive to any action by any other member. The final question is in order, but the preamble was a bit off. I would ask hon. members to consider that.

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification):** Mr. Speaker, I will make my answer short.

We work Friday afternoons. Maybe the Reform does not. We want to work Friday afternoons. Not only that, I am going to be working Saturday and Sunday as well. If the hon. member can

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get back here in time on Monday I will be happy to answer his questions.

**The Speaker:** We are all hard at work today.

\* \* \*

[Translation]

**ACTION PLAN FOR YOUNG PEOPLE**

**Mr. Antoine Dubé (Lévis):** Mr. Speaker, my question is for the Minister of Human Resources Development. The minister has just informed us today that he will be holding a press conference to announce, with great pomp I imagine, his apprenticeship plan for Canadian youth.

But this plan implies an obvious infringement on the provinces' jurisdiction over education. One simple question: Did the minister make a point, before announcing this plan, of securing the support of the Quebec government?

[English]

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification):** Mr. Speaker, I met with all the ministers of education and labour a month ago in Toronto where we outlined the directions of the program.

(1135)

We indicated at that time we would be working in co-operation with the provinces, as we presently do, on the existing co-op education program which the provinces utilize at the moment. We have agreed to establish working groups of officials in each province so that we can ensure the programs are totally harmonized and there is no overlap or duplication.

Again I come back to one central fact. It strikes me as exceedingly strange, when there are 400,000 young people in the country desperate to go back to work, wanting to find a place where they can get serious training in the workplace, that the only question the hon. member has is how do we stop the program rather than how do we go ahead with it.

[Translation]

**Mr. Antoine Dubé (Lévis):** Madam Speaker, normally the Minister of Human Resources Development should have taken a lesson in humility from the National Assembly, yesterday, but that does not seem to have been the case. Is the minister prepared to postpone the implementation of his apprenticeship plan until such time as he has secured the co-operation of the provinces and of Quebec?

[English]

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification):** Mr. Speaker, once again he is asking us to stop a program that will put young people back to work.

I am not in the business of stopping programs to put young people back to work. I am in the business of helping them get to work. As a result I will never listen to that kind of advice.

\* \* \*

**YOUTH EMPLOYMENT**

**Mr. Dale Johnston (Wetaskiwin):** Mr. Speaker, my question is for the Minister of Human Resources Development.

He referred to the 400,000 young Canadians actively seeking work in the country. Leaked information implies that the program would help about 1 per cent of those 400,000 young Canadians.

Why is the minister playing politics with such a serious problem as this one? Why is he cruelly creating false hope for so many young Canadians?

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification):** Mr. Speaker, once again the Reform Party is working on the basis of leaks.

I would suggest that Reform members get themselves a proper research department so that they can start basing their questions on facts rather than on rumour and speculation. The only thing I take great comfort from in the hon. member's question is that for the first time in the history of the Reform Party's presence in the House we now have Reform members saying to the Liberal government: "Spend more money".

**Mr. Dale Johnston (Wetaskiwin):** Mr. Speaker, I did not say to spend more money. As a matter of fact these programs have an effect of costing taxpayers more money.

I have a supplementary question. Recently the government has begun the very difficult job of trying to reduce the dependency cycle of thousands of east coast fishermen. The history of these make-work projects in Canada has been a series of failures. I had hoped that the 1970 tactics had gone out with the last election.

Why is the minister now planning to introduce thousands more young Canadians to a dependency cycle with yet another make-work program?

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification):** Mr. Speaker, that is a very cruel statement.

There are over 40,000 people on the east coast of Canada who have been deprived of a way of life and a way of making a living through no fault of their own. Their families for generations have fished honestly. The fish have disappeared.

It is the responsibility of the Government of Canada, along with others, to give every support and assistance to enable those people to find new hope, to find new choices and to find new careers. We will be basing a program on giving people who have had their way of life and their livelihood disappear a new way of

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finding the chance to make a good living for themselves and their families.

The cruel and insensitive remarks by the hon. member are not acceptable because we will be giving, as the hon. member will see next week, a real chance or a real platform for those people to find once again real hope that the country cares about their plight.

\* \* \*

[*Translation*]

**IMMIGRATION**

**Mr. Osvaldo Nunez (Bourassa):** Mr. Speaker, my question is for the Minister of Citizenship and Immigration. Yesterday, the ultrafederalist Quebec Minister of International Affairs, Cultural Communities and Immigration, Mr. John Ciaccia, made the following statement: "COFIs teach immigrants to cope with problems of daily life. They are told how schools and institutions work in Quebec. They are given tips on food and housing."

(1140)

Is the Minister of Citizenship and Immigration, whom the Quebec government has called to order along with his colleague, the Minister of Human Resources Development, prepared to mind his own business from now on and to apologize to the Quebec government?

[*English*]

**Hon. Sergio Marchi (Minister of Citizenship and Immigration):** Mr. Speaker, no Government of Quebec official has called me to order. Quite the contrary. I spoke to the Quebec minister responsible for immigration and he said very clearly what I told the member yesterday on the floor of the House of Commons.

First, he says that Quebec has nurtured a settlement process that clearly is at the top of the list after a 20–25 year agreement with the federal government.

Second, he has no problem that the committee overseeing the Canada–Quebec accord regularly meets with federal and provincial officials to discuss what there is for public debate.

Third, he confirms to me that there is no incompatibility with promoting strong, exciting patriotism and love of Canada and one's fierce loyalty to one's province or region. One either lives in a province in a country or one lives in a country and in a province.

Quebec has jurisdiction over independent immigration that comes to Quebec, but as far as I know Quebec is still in Canada.

[*Translation*]

**Mr. Osvaldo Nunez (Bourassa):** Mr. Speaker, now the minister is backpedalling. Does he not realize that his clumsy action calls into question Quebec's jurisdiction for integrating its immigrants into the French community?

[*English*]

**Hon. Sergio Marchi (Minister of Citizenship and Immigration):** Mr. Speaker, I think clumsiness is in the eye of the beholder. Quite frankly the hon. member is trying to make an issue of a non-issue. No one is calling the Quebec government or the province of Quebec into question on its resettlement and settlement programs.

I told the hon. member in committee two days ago. I told the hon. member yesterday. I repeat for him again that my government and I believe Quebec has done a yeoman's job and service on settlement.

Second, the hon. member intentionally confuses what I said on the settlement issue with citizenship materials to try to standardize citizenship materials from one coast to the other. That is citizenship, settlement is immigration, and the member knows it.

\* \* \*

**OLD AGE SECURITY**

**Mrs. Dianne Brushett (Cumberland—Colchester):** Mr. Speaker, my question is for the Minister of Human Resources Development.

The government recently announced the preparation of a broad discussion paper on Canada's programs for seniors. The minister clearly stated that the objective was to define a set of efficient and compassionate programs to meet our future needs.

Could the minister clarify whether this means that the review of seniors' programs is part of social security reform? Could the minister give his assurance that old age security pensions will be protected?

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification):** Mr. Speaker, I can certainly give the hon. member that assurance.

Nobody in the government has ever said in any way, shape or form that we would be making changes to the fundamental protection of seniors through the OAS. The social review that we presently have under way is primarily designed to deal with questions of employability and with questions of security for families and children. That is our real commitment.

The Minister of Finance indicated in the budget that we would be preparing a paper on the long term issues and implications of what happens to a society that is aging and what that means for some of the long term security benefits 20 to 30 years ahead. We

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must address those matters because of the changing age of the population and what that would do in terms of premiums and so on.

That is a discussion paper looking at the long term. We have no intention of making any changes whatsoever at this time in existing security programs for seniors.

\* \* \*

(1145)

**IMMIGRATION**

**Mr. Art Hanger (Calgary Northeast):** Yesterday, while the Minister of Citizenship and Immigration was busy briefing the press, some real news was revealed by his deputy minister. Apparently no HIV test is required as a part of the routine medical testing for immigration to Canada. This is despite the fact the Immigration Act reads that:

No person who is a danger to public health or who would create excessive demands on health services should be allowed into the country.

That is the law. Why is the minister's department not testing each and every immigration applicant for HIV and why are we letting these people into Canada?

**Hon. Sergio Marchi (Minister of Citizenship and Immigration):** Mr. Speaker, that is only news to the hon. member because as my colleague mentioned earlier, they clearly have a vacuum in their research capacity.

The fact is there is not mandatory HIV testing. However, if in their routine checks they find traces of HIV, our doctors throughout the world are allowed to ask applicants to have that test. In the majority of cases they have been refused.

There is not mandatory testing yet for HIV. Many applicants are tested and many are not permitted to come not only with the perspective of problems for other Canadians but also with respect to the effect and impact it would have on our health care system in Canada.

**Mr. Art Hanger (Calgary Northeast):** Mr. Speaker, I do not think the Canadian people are going to be satisfied with that kind of an answer.

The minister has been aware for some time that HIV testing is not done. Not only that, but if an applicant admits being positive to HIV he or she still can be admitted to Canada. This is outrageous. Surely the minister cannot deny that HIV infected immigrants are a threat to our already overburdened health care system.

Does the minister have statistics on how many AIDS infected immigrants or refugees have been admitted to Canada to date?

**Hon. Sergio Marchi (Minister of Citizenship and Immigration):** Mr. Speaker, I caution the member to try to curtail the kind of fishing expedition he wants to engage in.

I would point out that that mandatory testing has not taken place. Second, where those individuals exhibit traces of HIV they are asked to be tested. Third, most of those individuals are not permitted into the country. Fourth, the whole question of medical inadmissibility is now being reviewed as a result of some of the charter cases that have happened in the last number of months.

I will be happy to provide the hon. member with some answers to questions that he asked with respect to specific statistics, which I do not have at my fingertips today.

\* \* \*

[Translation]

**PURCHASE OF INFLUENZA VACCINE**

**Mrs. Madeleine Dalphond-Guiral (Laval Centre):** Mr. Speaker, my question is for the Minister of Public Works.

On Wednesday, the minister announced to the Government Operations Committee that a memorandum of agreement had been signed with BioVac of Laval and Connaught in Ontario for the purchase of influenza vaccine by the federal government for the provinces. This agreement is the direct result of an intervention by the Minister of Public Works.

Can the minister confirm that his intervention resulted in the division of the contract in two equal parts between BioVac and Connaught, whereas before BioVac held an exclusive contract?

[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 raising the question which is indeed important to all Canadians.

The member may not be aware, but the Government of Canada purchases approximately 1 per cent of the vaccine in question. Ninety-nine per cent is purchased by the provinces. We act as a facilitator for the provinces. The member is quite correct that yesterday I did announce at committee that there was an agreement in principle between the participants and that the details of that particular agreement will be announced very shortly.

(1150)

[Translation]

**Mrs. Madeleine Dalphond-Guiral (Laval Centre):** Mr. Speaker, I am not very patient. Could the minister tell us today what reasons led him to intervene personally so that the government would circumvent the normal contracting process?

[English]

**Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency):** Mr. Speaker, the hon. member raises a question which is quite contradictory to a previous question one of her colleagues raised on the floor of the House.

*Oral Questions*

The primary concern of the Government of Canada, as I am sure it is of all hon. members despite political differences, is obviously to protect the health of Canadians.

There are Canadian companies which wanted a Canadian solution to a particular problem. I think we have arrived at that. We have an agreement in principle which I think will satisfy all of the participants. At the same time the primary concern is to provide a quality product for those individuals across the country who have to use it, namely the children.

\* \* \*

**ENVIRONMENTAL SECRETARIAT**

**Mr. Ian McClelland (Edmonton Southwest):** Mr. Speaker, my question based on fact is for the Deputy Prime Minister and Minister for the Environment.

On January 24 the minister told the House that the decision to locate the NAFTA environmental secretariat would be public and transparent throughout and that the decision would be made free of politics based on an independent consultant's report of the competing bids.

The minister said that for the first time in the history of government the decision would be based on the environmental record of the competing cities. When the minister announced that Montreal was to be the site of the secretariat, the minister admitted the decision was political.

When the government made the political decision to locate the environmental secretariat in Montreal, was the minister aware that of the competing cities Montreal has about the worst environmental record? Therefore, based on the minister's own words will the minister reconsider her decision?

**The Speaker:** I know that hon. members will want to make their questions quite succinct and specific. I would invite the hon. Minister of the Environment to answer the question.

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment):** Mr. Speaker, first of all the statement by the member is absolutely false.

I invited him last Monday along with any other colleague in the House to come to my office and personally review every single one of the applicant cities. There were 25 cities that applied, 25 cities that had applications based on five criteria which were public criteria, which I released with all relevant documents.

I invited the member last Monday to come and review the applications from his city and from the other cities. Unfortunately, he and his colleagues have not shown any interest in actually seeing the documents.

I have released in this House, publicly, every single document on that issue that was reviewed by me. I have invited the member and his colleagues to come and personally review the approximately 15,000 pages of documents that came from the cities. I would ask him to come over and review the facts and I think when he sees the facts he will agree with me that among 25 very good applicant cities, Montreal was the best choice.

**Mr. Ian McClelland (Edmonton Southwest):** Mr. Speaker, given the fact that the decision to place the environmental secretariat in Montreal appears to have been made before the phoney competition began, will the minister tell the House if it is the intention of the government to buy the affection of the separatists in Quebec at the expense of federalists in the rest of the country?

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment):** Mr. Speaker, I think the tone of the hon. member's question is a very good indication of how he and his party do not understand that this party believes that Canadians belong in every part of this country. My brother living in the city of Montreal is every bit as Canadian as anybody living in his city. One thing that is going to be very important for the future of this country is if Canadians from Edmonton, Montreal, Vancouver, Dartmouth, St. John's and Hamilton begin to understand that we are all in this together.

(1155)

If the member is really interested in moving the environmental agenda forward, I would ask him to participate in the conference on environmental technologies. I would ask him to put his mind to new and innovative ideas for future technology.

The reality is that environmental technologies are the cutting edge of jobs for—

**The Speaker:** The hon. member for Madawaska—Victoria.

\* \* \*

[*Translation*]

**EDUCATION**

**Mrs. Pierrette Ringuette-Maltais (Madawaska—Victoria):** Mr. Speaker, I promise that my question will be short and to the point. For a while now, Bloc members have been having fun, scaring francophones outside Quebec by saying that our government is cutting funds for francophones. In view of the importance of education for francophones outside Quebec, could the Minister of Canadian Heritage tell us if the education budget for francophone communities will be cut?

**Hon. Michel Dupuy (Minister of Canadian Heritage):** Mr. Speaker, there will be no cut in education support for francophones outside Quebec. For fiscal years 1993-94 to 1998-99, we will commit \$112 million in new funds. The budget cuts announced last February 22 do not apply to these contributions.

*Oral Questions***CANADIAN MUSEUM OF NATURE**

**Mrs. Suzanne Tremblay (Rimouski—Témiscouata):** Mr. Speaker, my question is for the Minister of Canadian Heritage. In answer to questions from the Official Opposition during committee hearings, the Director of the Canadian Museum of Nature acknowledged that the museum suffered from serious mismanagement. Disturbing facts, especially concerning the awarding and managing of contracts for consultants and the hiring of museum executives, were confirmed in the committee.

In view of the seriousness of these disturbing examples of mismanagement, is the minister ready to place the museum under administrative supervision and allow the committee to proceed with an in-depth review of the museum's management?

**Hon. Michel Dupuy (Minister of Canadian Heritage):** Mr. Speaker, I thank my colleague for her question. I am myself extremely concerned about situations like this one. The person who is most suited to carry out such a review is the Auditor General of Canada, who will do just that.

**Mrs. Suzanne Tremblay (Rimouski—Témiscouata):** Mr. Speaker, can the minister confirm that the museum director is not waiting for the Auditor General and has already hired a firm to conduct an investigation?

**Hon. Michel Dupuy (Minister of Canadian Heritage):** Mr. Speaker, we can have both. It is quite natural for the managers of an institution such as the museum to be concerned about the quality of their own management. They carry on their affairs at arm's length, and I respect this relationship between the institution and the minister responsible for its operations.

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[English]

**GUN CONTROL**

**Mr. Jim Abbott (Kootenay East):** Mr. Speaker, yesterday the Parliamentary Secretary to the Minister of Justice said that for the next few weeks the Minister of Justice and the department will be studying very closely the possibility of making changes to gun control laws. We know that in the 1993 Auditor General's report it was said that we must have evaluation of the existing laws before we even know if they are currently being effective.

(1200)

When is this evaluation going to take place, for surely it must be before we proceed with any changes to the existing laws?

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada):** Mr. Speaker, the effectiveness of the laws at present are being evaluated on a continuing basis and we will continue that effort.

I want to make it clear however, in terms of what the parliamentary secretary may have said, as I have said earlier this week I am studying a broad range of options to bring forward to caucus and to cabinet for consideration, and that process is under way.

As to the effectiveness of the present laws, we simply have to look at the evidence all around us, the increasing availability of guns for people with criminal intent, to know that we have a long way to go before being as effective as many of us want to be on this subject.

**Mr. Jim Abbott (Kootenay East):** Mr. Speaker, does the Minister of Justice really feel there is any point in spending \$60 million on the Auditor General's department which said that an evaluation should take place and then possibly, as he has done here, come to the House and say it is fine to do the evaluation within the Department of Justice?

Should these evaluations not be made public, should they not be made transparent so that the people of Canada know whether the laws are presently working?

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada):** Mr. Speaker, the hon. member has made a point that is very fair but I think we are talking about two different things.

First, the Auditor General was speaking about evaluating the effect of the laws that were put on the books in recent years. That is an ongoing process. All of that will be made public. We will be determining the effect of Bill C-17 and its implementation. That is one thing and it is fully public.

The second thing, and I think evaluation is not a good word for the second subject, is this government, Bill C-17 now being behind us, is looking at other steps we might take for more effective gun control.

On that subject, what the parliamentary secretary said is that I and my colleagues in justice are putting together a list of options for further steps that can be taken. We are going to go to caucus and cabinet with that list. We are going to select a strategy we think is in the public interest and then bring it forward as proposals to this House.

**The Speaker:** Colleagues will have heard a few seconds ago something new we have instituted. I have ordered that the cannon be fired on Fridays at 12 noon.

**Some hon. members:** Hear, hear.

### PRESENCE IN GALLERY

**The Speaker:** I draw the attention of hon. members to the presence in the gallery of His Excellency Kim Doo-Hee, Minister of Justice, Republic of Korea.

**Some hon. members:** Hear, hear.

\* \* \*

### POINTS OF ORDER

CLERK OF THE PRIVY COUNCIL

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment):** Mr. Speaker, I know all members join with the Prime Minister and the government in welcoming the arrival of the new Clerk of the Privy Council. It is the first time a woman has held the most senior position in the bureaucracy in the Government of Canada.

I rise on a point of order because as she is a public servant she cannot defend herself. Clearly in the press reports this morning there are claims that the Clerk of the Privy Council in some way misrepresented her educational and academic credentials.

The company that published the academic credentials was the Financial Post company, a private corporation. I took the opportunity of reviewing three other so-called résumés in this particular document—

**The Speaker:** With all respect to the hon. member, perhaps she could find another avenue than a point of order to raise this. I invite her to terminate in the next few seconds.

(1205)

**Ms. Copps:** Mr. Speaker, with respect, I asked to rise on a point of order because only the Government of Canada can act to defend the credentials of the Clerk of the Privy Council if they are challenged. I wanted to point out for the benefit of all members that in the alleged document that claims to be the accurate credentials of every member, I took the opportunity of reviewing the credentials of myself, the member for Glengarry—Prescott—Russell and the member for Cochrane—Superior.

**The Speaker:** With all respect to the hon. member, there must be another avenue for her to bring forward this information to the House. I would invite her to seek these channels perhaps at the next sitting of the House or even a little later today.

I would like to put an end that point of order now. We will continue with the business of the House. Is there other business?

### Routine Proceedings

## ROUTINE PROCEEDINGS

[Translation]

### IMMIGRATION AND REFUGEE BOARD

**Hon. Sergio Marchi (Minister of Citizenship and Immigration):** Madam Speaker, I have the honour to table, in both official languages, the 1993 Report of the Immigration and Refugee Board.

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[English]

### STATUTES OF CANADA

**Hon. Allan Rock (Minister of Justice and Attorney General of Canada):** Madam Speaker, pursuant to Standing Order 32(2), I am pleased to table, in both official languages, proposals to correct anomalies, inconsistencies and errors in the Statutes of Canada, to deal with other matters of a non-controversial and uncomplicated nature in those statutes and to repeal certain provisions of those statutes that have expired, lapsed or have otherwise ceased to have effect.

\* \* \*

### ORDER IN COUNCIL APPOINTMENTS

**Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons):** Madam Speaker, I am pleased to table, in both official languages, a number of Order in Council appointments made by the government.

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

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[Translation]

### GOVERNMENT RESPONSE TO PETITIONS

**Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons):** Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to four petitions.

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### COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

**Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons):** Madam Speaker, I have the honour to present the 16th Report of the Standing Committee on Procedure and House Affairs, on committee membership. With the House's consent, I intend to propose that the 16th Report be concurred in later today.

*Routine Proceedings*

[English]

**Mr. Milliken:** Madam Speaker, if the House gives its consent, I move that the 16th report of the Standing Committee on Procedure and House Affairs presented to the House earlier this day be concurred in.

(Motion agreed to.)

\* \* \*

(1210)

**BUSINESS OF THE HOUSE**

**Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons):** Madam Speaker, I think you will find there is unanimous consent for the following motion:

That, any division or divisions on matters relating to government legislation requested this day be deferred to Tuesday, April 19, 1994 at 5.30 p.m.

(Motion agreed to.)

\* \* \*

**PETITIONS****DIVORCE ACT**

**Hon. Christine Stewart (Secretary of State (Latin America and Africa)):** Madam Speaker, pursuant to Standing Order 36, it is my pleasure to present a petition on behalf of various constituents of mine.

The petitioners are asking the government to make amendments to the Divorce Act to ensure that they have access to their grandchildren. Furthermore an amendment to the Divorce Act would give the grandparent who is granted access to a child the right to make inquiries and to be given information as to the health, education and welfare of the child.

**TOBACCO PRODUCTS**

**Mr. Peter Adams (Peterborough):** Madam Speaker, I have two petitions from citizens of Peterborough riding.

The first which is signed by 25 people urges that Parliament enact legislation to request effective tax paid markings on legal tobacco products. These citizens believe it is important to clearly distinguish legal, domestic product from contraband product and they believe that these markings will make enforcement of federal regulations easier. I have also signed this petition.

The second petition is also signed by 25 citizens of Peterborough. The petitioners point out that we export Canadian tobacco but there is virtually no market for this tobacco in the United States and so that tobacco is simply reimported. They urge that quotas be imposed on tobacco exports to ensure that only legitimate export markets are met by our exports. I have also signed this petition.

**CRIMINAL CODE**

**Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia):** Madam Speaker, I have received yet another petition from constituents requesting the repeal of section 745 of the Criminal Code.

I would like to present it pursuant to Standing Order 36. It has been duly certified by the clerk of petitions. I wholeheartedly endorse the request of these constituents.

**MULTICULTURALISM**

**Mr. Ed Harper (Simcoe Centre):** Madam Speaker, I have two petitions to present today.

Pursuant to Standing Order 36, I rise in the House today to present a petition collected by the British Heritage Institute. The petitioners request that the government ensure that the provisions of Canada's multiculturalism policy apply to all ethnic groups without favour and to publicize widely its intentions to do so immediately.

**MARKHAM—WHITCHURCH—STOUFFVILLE**

**Mr. Ed Harper (Simcoe Centre):** My second petition is on behalf of 4,500 residents of Markham—Whitchurch—Stouffville.

The petitioners call upon Parliament to undertake a process to thoroughly investigate the very serious indiscretions committed by their elected representative to determine if he is fit to continue as the member of Parliament for the riding of Markham—Whitchurch—Stouffville.

**ETHANOL INDUSTRY**

**Mr. Rex Crawford (Kent):** Madam Speaker, once again I am honoured to rise in the House, pursuant to Standing Order 36, to present a petition with several hundred names on behalf of my constituents of Kent.

The petitioners state an ethanol industry will provide definite stability for Canadian agriculture and the Canadian economy in general. Ethanol is one of the most environmentally friendly fuels available. Chatham, Ontario was recently selected as the first site for a major ethanol plant, 20 times larger than any in Canada to date, creating approximately 1,100 person years of work and contributing an estimated \$125 million in annual economic impact.

(1215)

Noting this petition, one of the signatures is the former hon. member of Parliament, Maurice Bossy, who was here 12 years ago and another is John Burgess, QC whose father was a member of Parliament here in the early 1950s.

**SERIAL KILLER CARDS**

**Mr. Walt Lastewka (St. Catharines):** Madam Speaker, I rise today to place before the House a petition signed by some 700 Canadians from the Niagara—Hamilton area.

*Routine Proceedings*

As you know, Madam Speaker, I have spoken in the House before about the harm to society of serial killer cards. The petitioners state that they support the efforts of Debbie Mahaffy in her quest to have the killer cards seized at the Canada–U.S. border to stop their distribution in Canada.

The cards published by Eclipse Comic Books, True Crime Trading Cards and other publishers feature the crimes of serial killers, mass murderers and gangsters. We do not want these cards in our community.

The petition goes on to state: “We abhor crimes of violence against persons and we believe that killer trading cards offer nothing positive for children or adults to admire or emulate but rather contribute to violence. Therefore, the undersigned your petitioners, humbly pray and call upon the Parliament of Canada to amend the laws of Canada to prohibit the importation, distribution, sale and manufacture of killer cards in law and to advise producers of killer cards that their products, if destined for Canada, will be seized and destroyed”.

I reiterate my support for this petition which I table in the House today.

ABORTION

**Mr. Don Boudria (Glengarry—Prescott—Russell):** Madam Speaker, I have a petition signed by a number of citizens of the riding of Etobicoke Centre. They humbly pray and call upon Parliament to take all necessary measures in legislation to protect the lives of the unborn.

\* \* \*

[Translation]

**QUESTIONS ON THE ORDER PAPER**

(Questions answered orally are indicated by an asterisk.)

**Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons):** Madam Speaker, the following questions will be answered today: Nos 6, 14 and 15.

[Text]

Question No. 6—**Mr. Grubel:**

What is the incidence of social spending by deciles of family income, in particular with respect to old age security, unemployment insurance, family and youth allowance, and other federal transfers to persons?

**Mr. David Walker (Parliamentary Secretary to Minister of Finance):** The following table provides the information requested by the hon. member from Capilano–Howe Sound.

The data in this table are based on Statistics Canada’s survey of consumer finances for 1991 incomes, the latest year for which incomes data are available.

There are a number of different definitions of family. For the purposes of this tabulation, an “immediate family” concept has been used. Thus, a family is defined as either a husband and wife (including common law relationships) with or without children who have never married, or a parent living in the same dwelling with children who have never married. All other persons (including single persons living alone) are defined as a separate family unit. Thus, many recipients of federal transfers would show up in high income families because they live with high income parents/children. For example, a child receiving UI benefits could be living with high income parents.

The table shows transfers before taxes. Thus, the table does not show the effect of OAS recovered from high income individuals. About \$300 million of OAS benefits are recovered from individuals with incomes above \$51,800. This represents about 15 per cent of total OAS paid to families in the top three deciles. While the entire OAS is recovered from an individual at \$81,000 of income, a lower income spouse living with a spouse who has high income is not subject to the recovery.

Family allowances and child tax credit have been replaced by the child tax benefit since 1993. The table does not show the distribution in respect of the new program because the relevant data are not yet available. However, a table showing average child tax benefit by income follows.

**Gross Expenditures on Selected Federal Transfers<sup>(1)</sup> to Persons by Family-Unit<sup>(2)</sup> Income Decile 1991**

Family Unit Income Decile <sup>(3)</sup>	Upper Income Limit of Decile	OAS/GIS/SPA <sup>(4)</sup>	UI	CPP/QPP <sup>(5)</sup>
	\$		(\$ M)	
1	10,000	880	370	360
2	14,100	4,730	690	1,600
3	19,800	3,250	1,280	1,790
4	26,100	2,890	1,470	2,280
5	32,800	1,480	1,880	1,590
6	40,600	1,070	2,040	1,290
7	50,000	910	1,990	1,170
8	61,600	680	1,800	830
9	80,100	580	1,610	760
10	—	460	1,220	730
Total	—	16,930	14,350	12,400

Source: Statistics Canada microdata from the Survey of Consumer Finances for 1991 Incomes.

Notes: (1) Incomes from some of the transfers in this table are not fully reported in the survey. For example, the survey does

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not cover residents of Yukon and Northwest territories, Indian reserves and institutions (including homes for the aged). In the case of OAS, some \$1 billion are not captured in the survey data. Further, incomes from some of the transfers are under-reported in the survey. (Reporting on the Survey of Consumer Finances is estimated by Statistics Canada to be 100 per cent for OAS, and 85 per cent for the Canada and Quebec Pension Plans and for Unemployment Insurance.) Hence total expenditures on each program may not correspond with actual expenditures.

(2) A family consists of either a husband and wife (including common law relationships) with or without never married children or a parent with never married children, living in the same dwelling. All other persons (including a single person living by himself/herself) are defined as separate family units.

(3) Each income decile represents about 1,150,000 family units.

(4) OAS expenditures are before taxes are collected, including the high income recovery.

(5) Statistics Canada data does not report Canada and Quebec pension plan benefits separately.

(6) The table does not include a number of other federal transfers to persons (e.g. veterans pensions and allowances) because Statistics Canada data does not report these transfers separately.

Average 1993 Child Tax Benefit by Income	
Family Income \$000	Average Benefit \$
0-30	2,075
30-50	1,690
50-75	960
+75	295
All Families	1,260

Source: Department of Finance

**Question No. 14—Mr. Hermanson:**

With respect to the conference on the deficit and the economy held by the Minister of Finance on December 13, 1993, at the Ottawa Conference Centre, were any of the conference participants' expenses, fees or honoraria paid by the government, and if so, what are the amounts, as well as the total costs of hosting the conference?

**Mr. David Walker (Parliamentary Secretary to Minister of Finance):** With respect to the conference on the deficit and the economy held by the Minister of Finance on December 13, 1993,

at the Ottawa Conference Centre, the Department of Finance paid \$10,380.84 in participants' expenses. No fees or honoraria were paid by the government. The total cost of hosting the conference is \$24,244.91.

**Question No. 15—Mr. Breitzkreuz (Yellowhead):**

With respect to the GST and businesses which have gross sales exceeding \$6 million per annum, will the government amend the GST regulations to allow these businesses to make their remittances on a quarterly or 60-day basis rather than on a monthly basis?

**Mr. David Walker (Parliamentary Secretary to Minister of Finance):** Under the GST, only the largest 1 per cent of businesses must be monthly filers. Small businesses have, of course, much more flexible filing requirements.

The filing periods for the GST are quite comparable to those in other countries.

Providing large businesses with an extra 30 days to remit their GST would entail a one-time cash flow cost to the federal government of more than \$1 billion. This translates into an ongoing interest cost of about \$60 million per year.

[Translation]

**The Acting Speaker (Mrs. Maheu):** The questions enumerated by the parliamentary secretary have been answered.

**Mr. Milliken:** Madam Speaker, I ask that the remaining questions be allowed to stand.

**The Acting Speaker (Mrs. Maheu):** Shall the remaining questions stand?

**Some hon. members:** Agreed.

## GOVERNMENT ORDERS

[English]

### BUDGET IMPLEMENTATION ACT, 1994

The House resumed consideration of the motion 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; and of the motion.

**Mr. Philip Mayfield (Cariboo—Chilcotin):** Madam Speaker, I am pleased to rise and speak on Bill C-17.

Overspending, high taxes and the enormous debt we are paying interest on are the big, big problems this government has still to deal with.

I spoke before about high taxes that Canadians are paying, taxes that are preventing investment in Canada, taxes that are

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making it necessary for both parents to go out and work so that they can pay their rent, their mortgage and feed their families.

Most of all I talked about the fact that high taxes have resulted in an underground economy that is going to be difficult to stop. Sure, we have halted some of the smuggling of cigarettes because the government has cut the tobacco tax, but in its place is liquor smuggling. Stories in this week's press tell of warehouses stacked to the ceiling with contraband alcohol. The reason for this is the high taxes that Canadians are no longer willing to tolerate.

I have also talked about the government's infrastructure program and the fact that it will not create the permanent high tech jobs this country needs. Rather, what we have coming are short term jobs, jobs that will last only as long as the government pours money into the program affected.

(1220)

I mention high tech jobs and the fact that the government seems to be shying away from the realities facing this country. Whether we want it or not, high technology is already here. It is going to affect all of us at some point. The information network is the first example that comes to my mind.

But what does the government do? It announces it will be pulling out of the space program. It cancels KAON. Here the potential job programs of the right kind are to be found, high tech jobs. We are losing the opportunities to create and expand the kind of skills this country is going to need if we are to compete in future markets, markets that will be technology based.

A constituent from Williams Lake, British Columbia wrote to me about the space program. He is convinced there are very good reasons that Canada should stay involved in the space program beyond the fact that it provides an insight into cutting edge technologies. My constituent goes on to say that he does not want to see Canada put on the back burner, but not getting involved in high tech industries will put Canada on the back burner.

The future more so for the next generation is going to be exciting. High technology will ensure that this is so, but only to the extent that we keep up with all the changes. Just look at the last 10 years and the changes to the workplace brought about by computers. This leads me to my next point, being able to be a part of the changing face of the workplace.

The February budget made reference to investing in jobs and people. Today the government will introduce its five point education program and work strategy program aimed at solving the problems of this country's youth, who are rapidly becoming known as the lost generation. The aim of the program is to create a new work ethic for young people between the ages of 15 and

24. There will be apprenticeships and the Canadian youth service corps. Is this Katimavik revisited? There will be a learning package.

Apprenticeships can be wonderful things. We do need young people to have formal training and marketable skills, but we must not leave it to the government to take responsibility for teaching the people. The private sector has to take the lead role so that people are trained for the jobs that will be there, not the jobs the government thinks might be there.

The learning package is probably the most commendable part of the youth program. If it does offer hope to the youth, if it does offer promise and jobs, I commend the government on this. I sincerely hope it is not a false promise.

In Tuesday's *Globe and Mail* there was an article by a young university student. This student passed comment about the fact that the professor had to take time from giving the economics lecture to give the class a lesson in grammar. It is a fact that some university students, although they have got into university and will probably get their degrees, still will be unable to function effectively in the real world of business and commerce because they cannot write a proper memo. They cannot reproduce a report or a letter that can be understood clearly. This is a major problem. It is not an isolated incident.

The government intends to work developing national education standards in math, science and language skills. This is long overdue and is a good move by the government. Only when we ensure that our children can read, write and express themselves properly will we be able to see a decrease in the unemployment rates for the younger generation.

Education is a major key to self esteem. What satisfaction to be able to pass the interview for a job and to adapt to the rapidly changing world marketplace.

(1225)

Although the government's first budget does have some positive attributes, it does not in any way address the most pressing problem facing the country: the need to get Canada's financial affairs under control.

Many Canadians have learned how to cut back on spending because they have been forced by economic circumstances to do just that. However it is plain to see the federal government has not learned this whole lesson yet.

Taxation at current levels is an abuse of power. We have a government that is taking money from people and businesses in such quantities that these people are unable to maintain their present standard of living.

It is ludicrous when a young person with a minimum wage job has to try to borrow money to pay taxes because his employer

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did not deduct sufficient at the source. This is really being put between the proverbial rock and hard place.

It is just as ludicrous when a small business person is forced to shut down because after taxes, licence fees, the cost of special audits and all the intrusions that can come from government the income is just not there. The business closes down and the employer and employees are out of work.

At a time when the government could and must reduce its expenditures it stubbornly refuses to do so. Rather it borrows what it is unable to tax, while taking from people money needed to put food on their tables. What is the government using it for? Grants to special interest groups; building multicultural centres; enforcing bilingualism; grants to multinational corporations; duplication of services between departments and between provincial and federal governments. A lot of this is in the name of humanity and kindness.

The government talks about Reform policies being of the slash and burn kind. The Reform Party has never advocated slash and burn policies as we have been accused. Instead we have proposed a program of maintaining essential services such as health care, pensions and education while prioritizing areas of expenditure reductions with a goal to reducing taxes. Non-essential programs that are a heavy drain on the treasury have to go if we are not to go belly up as a country. Effective prioritizing must begin. The government continues to avoid such prioritizing.

For example as part of its so-called cuts in spending the Liberals have slated closing down the chinook salmon hatchery on the Quesnel River in Likely, British Columbia. The reason given is that the hatchery is uneconomical. This is true, but the reason it is uneconomical is it is being operated at 10 per cent of its capacity. How could it possibly be operating in an economic manner at such a low rate? The major risk of losing this hatchery is the real possibility of also losing the chinook salmon in the upper Fraser system. Along with the salmon will go the hatchery workers' jobs.

[*Translation*]

**Mr. André Caron (Jonquière):** Madam Speaker, I feel it is my duty to speak on Bill C-17, particularly the part concerning unemployment insurance. A duty because I am the member for Jonquière and—according to the weekend papers—the Chicoutimi-Jonquière region has again the unemployment record for Canada, 14.7 per cent. This is an official figure. You know as well as I do that many people are discouraged and no longer looking for work. These people do not show up in the statistics, but they nevertheless live in our communities.

In my area, 25 per cent of the population might be on welfare or unemployment insurance. Last week, I received a paper from

a professor at the Université du Québec which said that, in my area, the rate might be close to 50 per cent if everyone who wants to work is counted. This is enormous. That is why I feel it is my duty to speak out.

The bill reduces unemployment insurance payments, raises the minimum entry requirements and reduces the number of weeks during which unemployment insurance can be paid.

(1230)

I read the bill carefully and the only rationale for the government to introduce such a bill is to save money. I agree that government spending should be rationalized, and during the election campaign our party was calling for deeper cuts than the ones proposed.

But why single out the unemployed? There seems to be a philosophy in that bill which says: "That is it, the government is no longer going to support you, you are going to be thrown out in the street, and then you will have to manage on your own". What we are doing is applying to the unemployed the law of the market, which is the law of the jungle. Everyone must manage on his or her own with less and less help from the community or the country.

I find this attitude scary. We are telling the unemployed: "You are probably out of work because you want it that way, you do not really want to work". We are calling into question the honesty of our fellow citizens who, we claim, like to do nothing and get paid for it. You know this is not true.

If we send people into the street to find jobs, there must be jobs to find. Where are they? The government has just launched an infrastructure program that is supposed to create 45,000 jobs in Canada. The program has just started and there is nothing concrete yet. Statistics show that many people would like to work, but are unemployed. Where are the jobs? We are often told that there are tens of thousands of unfilled positions because there is no one qualified to take them. Where are these positions?

I am a guidance counsellor by training. Before I had the honour of representing the riding of Jonquière in this House, I worked in a vocational training centre and was, among other things, in charge of admissions. Whenever I met people who wanted to be retrained and better prepared for the workplace, some would ask: "Which field has jobs available now?" These people had read in the newspapers and heard politicians say that there might be tens of thousands of jobs available. Where are these jobs advertised? In the newspapers or in the offers of employment? We do not see very many there, nor on the bulletin boards of UI offices. In my riding, there are people skilled in leading sectors because they received training in new technologies at the Université du Québec in Chicoutimi. At the CEGEP in Jonquière, at the vocational centre where I worked, people are

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told to develop skills because there will be jobs available, but these jobs simply do not exist.

Madam Speaker, if we reduce benefits and force the unemployed to go back to work, there should at least be jobs available, which is not the case. This is not the time for the Government of Canada to go after the unemployed. What is needed are well thought out policies to stimulate employment. And, in particular, we should take advantage of the current unemployment situation to retrain those who are in need of training.

I mentioned earlier that I worked in a vocational training centre. I used to receive a lot of calls from unemployed people, since massive layoffs took place in my region, including at Alcan, Abitibi-Price, Cascades, as well as in some stores and other businesses. People are not stupid; they realized that they might not get their former job back, so they wanted to develop new skills and be retrained. This is why they would get in touch with the centre where I worked.

I would meet with them to assess their retraining opportunities. But when it came to the crucial issue, that is, "how will I survive while I am retraining and while I am in school?", I would tell them: "Right now, you get your unemployment insurance benefits, but if you come to my training centre to take courses during the day, or even at night, and you join some groups that are already there to be trained, well, you will have to give up your benefits." People were saying: "That does not make any sense, I have to support myself and my family." So, they would postpone their training plans.

(1235)

But this is absolutely criminal! It is criminal that, in vocational training centres like the one in Jonquière, there are spaces available in disciplines which are part of the new technologies, such as electro-mechanics, digital controls and refrigeration. In my training centre alone, hundreds of thousands of dollars have been invested in equipment and instruments. Often, these are not being used. And in the streets, in stores, there are thousands of people who want to be trained, but who are wandering around, trying to occupy their time.

I think it would have been important in the present situation to have a concerted and effective vocational training policy which would make room for people and allow them to be supported by the community during their training. After that, they could go on the labour market and become an asset for society. But this is not what has been done.

What did we do during that time in terms of training? We argued. I have witnessed that in my own training centre.

Often, we waited for information from the federal government to see if unemployed workers wanted to apply for various training programs. At a certain point, the federal government

would inform us that, for the time being, it did not have the funds and that personnel might be available in three or four months. Yet, workers cry out for training while various levels of government cannot agree on a clear policy.

Members of the Bloc Québécois have denounced the present overlapping in occupational training. The federal government makes decisions, the provinces make decisions, the Department of Education decides to structure its programs the way it wants and, at the end of the day, we have a situation where people who want to be trained have no training while places remain empty in our training centres.

This is outrageous, and that is why I condemn this bill, because it sends the following message to the unemployed: You cost too much, we doubt you really want to get back into the labour market, and so we are going to shorten your benefit period, but things should turn out in the end. But they will not.

One really wonders about the logic behind this kind of budget proposal. It takes a short-term view of the problem. The government wants to save billions of dollars in unemployment insurance benefits for a couple of years, but the money will be spent on welfare benefits because—and one of my colleagues made the point this morning—there are some very scary figures, and by that I mean that we can calculate the cost of the unemployment insurance measures proposed by the government. There are new welfare recipients in Quebec and people who are not eligible for unemployment insurance benefits. This is a frightening situation, because the government is introducing measures, knowing there will be a significant negative impact, and meanwhile, it does not hold out any hope for the unemployed.

Last Wednesday, I attended a seminar organized by people who are concerned about regional development. At this seminar, a number of young people had this to say: We want jobs, and we want real jobs. We do not want another Katimavik program. We do not want to be kept busy painting fences in the parks during the summer. We want to get into the labour market. We want to be part of the social, political and economic life of our country.

Thank you for the opportunity to speak in this debate, and of course I will vote against Bill C-17, because I think it is absolutely unfair to the unemployed.

(1240)

*[English]*

**Mr. John Williams (St. Albert):** Madam Speaker, I rise to speak against Bill C-17 which has been introduced with a fair amount of rhetoric but very little substance.

I would like to quote from a news release dated Ottawa, March 16, 1994 which says that the twin "objectives of the bill are job creation and deficit reduction". I started to think about job creation.

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When the Liberals won the election in October of last year, one of their first acts was to cancel the helicopter program and introduce their job strategy—job creation program which was to pave more roads and build a few more sewers.

Maybe we did not need the helicopter program but we certainly do need the experience, the research and the development in the high technology field. If there is anything that is going to bring this country out of the doldrums it is in and show us the way into the 21st century, surely it has to be the electronics industry rather than the paving industry.

We have in front of us the electronic highway that will be crucial to the development of the technological business of industry over the next many number of years. We very much stand to lose our competitiveness around the world if we do not invest in this high tech area. Yet the government has seen fit to cancel everything in that area and introduce a subsidized, government paid job creation program that is going to pave some more roads and build some more sewers.

We had the opportunity to develop a highway that would go at the speed of light and yet we think we are only going to build a highway on which we can only travel at 40 or 80 kilometres an hour. The electronic highway is the way of the future. It had vision. It had substance.

The job creation program that the government sees has in my opinion no vision, no real hope for 400,000 young people. It has no real vision for saying: "We have a program that is going to see you through school right through to your retirement. It will give you opportunity and prosperity". All it can think of is short term job creation programs to help them through the summer and carry on from there.

Six billion dollars was supposed to create 65,000 short term jobs. I understand that the Minister of Human Resources Development may be talking at a news conference at this very moment. As he said earlier today, he is going to announce a program to spend another \$100 million for 10,000 young Canadians to see them through the summer. It is with no long term vision. That is what upsets me most about this bill.

I read in the *Globe and Mail* today that the federal government and the Government of Quebec are now at loggerheads over which will do the job training in this part of the country. Therefore the whole idea of job creation is stymied, put on the shelf. It has been delayed. It has been postponed. Young people desperately need the government to get its act together to do job creation.

The only job creation I see is that civil servants in Ottawa are at loggerheads with civil servants in Quebec City. That seems to be going on ad nauseam and it is not benefiting the country. It is not job creation.

If we are going to have job creation and deficit reduction, surely we must hold out the vision of lower taxation, lower deficits and controlling the debt. As we tell Canadians, they are going to be faced with higher taxes and more government spending.

There is no real incentive on anybody's part to invest in the real wealth creating jobs in this country. The government has to go back to square one and back to basics and rethink its whole strategy on job creation, job training, job motivation, building and creating wealth and prosperity. The bill is a very poor start.

(1245)

The government also said in its press release that there would be a two-year extension of the freeze of public service wages. Many Canadians would be glad to have a freeze if their jobs were assured. Jobs are in jeopardy; jobs have been lost. Many people are now on the unemployment rolls and are asking what their futures are.

I would like to offer them some real hope that we are spending their tax money wisely, but I cannot even offer that. I am looking at the Ottawa *Citizen* article of April 9 written by Mr. Greg Weston and entitled "Pink (Slip) with Envy". He writes about the fictitious Bob who has been working for the federal government as follows:

No matter what Bob's rank in the bureaucracy, he will be given at least six months on the payroll to look for another job. During that time, he and other surplus people like him will have priority over everyone, everyone (except ex-political hacks) applying for similar positions elsewhere in the government.

They are going to shuffle the deck at taxpayers' expense and maintain some jobs that may or may not be necessary in the federal government. Poor people out there are working hard to pay their taxes while civil servants in Ottawa and elsewhere around the country feel quite cosy with their job security and will not be laid off. The writer continues:

In fact, under a deal worked out with the unions in 1991 the government has agreed not to lay off anyone without first making them a "reasonable job offer".

Again the whole concept is to recycle the civil service rather than make it efficient, responsive, lean and affordable. He continues:

Even when Bob is finally given directions to the nearest unemployment insurance office, he still remains at the front of the government line for government jobs for another full year.

Even if somebody who is qualified and on UI he plays second fiddle to our hypothetical Bob who is at the front of the line just because he used to have a federal civil service job. He is guaranteed to be the first in line for the next one that comes along. In conclusion he writes:

In the past seven years only 5,629 public servants were actually laid off. That is an average of about 800 a year out of the 230,000-odd people working for the federal government. Among those landing on the street, about 60 per cent spent more than six months on the public payroll doing nothing.

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Is that the type of job creation program the government likes: people being paid by average Canadians who have to pay their taxes to keep people on the public purse for doing nothing? He continues:

No one seems to have any accurate figures on what all this is costing Canadian taxpayers, but the tab is at least \$60 million a year just for the 1,700-odd bureaucrats currently floating around in surplus never-never land.

That article tells us that the government has neither addressed deficit reduction nor job creation in a positive and serious way. It is time government members heard from all Canadians. They are certainly hearing from Reform Party members on this side of the House that it is time they acted seriously and brought in some serious job creation programs. That attitude would create an environment or playing field for the private sector to create job creation programs.

While I still have time I would like to mention I am appalled the CBC is now going to be given authority to borrow money. Surely the country has enough debt. It is time to recognize we cannot keep borrowing money. We cannot keep giving every agency in the country the authority to borrow more money, off budget by the way, so the finance minister can tell us that the deficit is coming down. He has just passed the buck over to the CBC.

I will wrap up my speech by saying I am opposed to the points raised in the bill. The government should bring in something positive and concrete to do the job properly.

(1250)

**Mr. Harold Culbert (Carleton—Charlotte):** Madam Speaker, I stand today to respond to a few of the comments on Bill C-17 by members of the opposition this morning and on previous days.

I am a strong believer that we have the good fortune of living in the greatest country in the world. I would also include the province of Quebec in my country. It is part of Canada today. We certainly look forward to it being part of Canada for many years in the future.

With regard to Bill C-17, I am extremely proud of the Minister of Finance and the time he took for consultations across the nation. As every member of the House is well aware he gave every opportunity to bring forward expertise from the various sectors of our community and our business world. He did this in addition to bringing together a number of economists and other people with background and expertise in various fields.

In addition he did something a little different. He allowed the House to have the opportunity of a pre-budget debate. Members of opposition parties had the opportunity to bring forth suggestions, ideas and input previous to presentation of the budget.

I must welcome the occupant of the chair. We have a new Acting Speaker, a member from my home province of New Brunswick who looks exceptionally good in the chair of the House of Commons.

I am extremely proud of the minister and the opportunity he gave each and every one of us in the House to bring forward our ideas and thoughts. It should not have been an opportunity just to bring forward our own thoughts and ideas on the subject matter. It should have been an opportunity for us to bring forward the thoughts and ideas of our constituents. Like every member of the House I received many pieces of correspondence and many telephone calls with sincere suggestions, input and ideas about the forthcoming budget.

After all the consultation and opportunity, the Minister of Finance brought forward a balanced, fair and equitable budget for all parts of Canada and all Canadians. Some difficult decisions were made in the budget. They were difficult for the minister and for government members. Yet they were responsible decisions.

For example, I am sure no one on the government side anticipated prior to the election a \$46 billion projected deficit for 1993-94. Even after being presented with it, did the government back off and say it was going to change its plans? Was it going to do something different because it was new and different news? No. The government said that it made it more difficult but it was going to keep its commitment to Canadians over the next three years of 3 per cent of gross domestic product. The government is not going to back off. It is going to carry forward on the commitments made in the red book that all members of the House have held up from time to time and referred to by section and page. It was well read across Canada. It probably was the most well read book in 1993 and we are extremely pleased by that.

(1255)

The bottom line is that every decision the government has taken is looked at in light of what it would do to create an atmosphere in the country that gives our business sector an opportunity to create jobs for the future. We stated that up front, first and foremost, and we are backing it up today. We are going to continue to announce programs with that specific purpose in mind.

I cannot imagine why that is something anyone should be ashamed of, as some opposition members mentioned earlier. I am extremely proud to be working with the Minister of Finance. We will certainly continue to work with him in that endeavour.

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Now is the time for the government, all members of the House and all other Canadians to work together. We have to continue to build confidence in our people and confidence in business and industry. They are the people who will create jobs in the future. Since February 22, the date the budget was brought down, that has been certainly brought forward to the people in my constituency and many other constituencies across the country. A new and modern Canada will see an opportunity for young people. This plan will bring back hope to Canadians, hope for their futures and the futures of their families.

During the recent break we had a couple of weeks ago I had an opportunity to meet with many people across my constituency in public meetings. Their comments were very positive. They were saying: "You are on the right track. Keep going in that direction. It is a good balance. It is a balanced budget. We think we can make it work". They had the confidence we want to see.

On arriving in Ottawa I am sure everyone in the House, especially the new members, had heard about our perks. One of the first things the government did was to look at the so-called perks. I have never had an opportunity to use low priced shoe shine outlets or to have low priced haircuts. Maybe that is obvious today. I have never had the opportunity to have free gymnasium workouts or masseurs. That was one of the things the government said first and foremost would be gone with one mighty slash.

In comparison to a projected \$46 billion deficit, \$5 million may not sound like much but to me \$5 million is a lot of money. To my constituents \$5 million is a lot of money. I believe to most Canadians \$5 million is a lot of money. That is the amount the action of eliminating those perks is projected to save Canadian taxpayers during the next year. There is a lot more to be done, no question about that, but we have to continue moving forward with input and consultation with the citizens of the country. When we start working together that is when we start making accomplishments, that is when we start getting action and that is when we start building an economy and getting people back to work.

(1300)

I am not embarrassed by the fact that every decision the government has made is based on creating the opportunity for jobs. I am proud of the Minister of Finance and proud of this government. I am proud to continue working with this government toward that goal.

[*Translation*]

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup):** Thank you, Madam Speaker. I rise today on this bill and I will vote against it. This bill is a good example of why Canada does not work.

Look at this morning's figures. I think that, instead of "jobs, jobs, jobs," their party's election slogan should have been

"welfare, welfare, welfare." In Newfoundland, the higher eligibility standards will throw 1,635 more people on welfare, while the reduced maximum number of weeks of benefits will increase welfare rolls by 1,370. In New Brunswick, welfare rolls will grow by 1,165 because of the higher eligibility requirements and by 1,335 because of the reduced maximum period of benefits.

I would have expected government members representing ridings in these two provinces to rise and tell us that it does not make sense, that this is totally at odds with what their party said during the election campaign. This would have allowed the government to come to its senses and stop sending misleading messages.

We are telling people that the economy is stalled, to be even more cautious, to avoid consuming more, to be careful. We act in a way that will make more people go on welfare, consume less, and contribute less to the economy. We kill off the weak recovery our society may be experiencing. It is a strange message to give to Quebec and Canada, to Quebecers and Canadians.

In their previous speeches, government members told us there was a free debate on the budget, that opposition parties could make suggestions. Good, I think that is the purpose of the House of Commons! That is not the problem, the problem is that our suggestions are not acted on. Every time we propose job creation programs to kick-start the economy and make people proud to earn a living, they come up with measures such as this legislation; it will only put more people on unemployment insurance.

When I say that this bill is an example of why Canada does not work, it is because the people cut off from UI benefits will no longer have access to training programs linked to unemployment insurance. In that sense, it is linked to one of the fundamental problems with this system, namely its inefficiency when the federal government lacks the will to co-operate with the provinces.

The minister of Human Resources Development told us that youth employment was the priority. Now he is surprised that the opposition raises the need to respect the wishes of the provinces in that area. The minister should be the first to know—I would say this is a very important quality in a minister—that, if you want to get somewhere, the co-operation of the people you are working with is essential. The only indication he has given was to the effect that he wanted to bulldoze the issue. The reform he had in mind was one that would override the wishes of Quebec in the area of manpower.

What he did not bargain for, though—and it must have taught him a good lesson—was to see the governing federalists in Quebec, who can hardly be called "big bad separatists", pass a unanimous motion in the National Assembly yesterday. Here is what it said:

*Government Orders*

That the National Assembly of Quebec ask Mr. Jean Chrétien and the federal Liberal government to abide by the unanimous consensus among all concerned in Quebec on the need for Quebec to have exclusive jurisdiction over manpower training.

It does not sound like a whim to me, yet it is said to be so in the case of the Parliament representing the only majority French-speaking nation in North America. It seems to me that some attention should be paid to that kind of thing.

(1305)

In a way, the bill before us reflects this government's problem in that it sends a double message: on the one hand, promote economic recovery, but oddly enough on the other hand, do it on the backs of the least fortunate in our society.

Ontario will not be affected as much as other provinces by this reform, with 30 people or so not meeting the new eligibility requirements. That gives some idea of the influence the Ontario caucus has over this government, but I hope members who represent other provinces will make sure they have their say and convince the government to show a little more compassion for regional economies which do not necessarily keep going year-round. In that sense, I think it is important for the government to act quickly.

I would have preferred to vote today on a bill setting up real job creation programs. This bill touches on several issues; in fact, we might even say that someone tried to smother the unemployment insurance issue in this great omnibus bill, but no one was fooled. We realize that the reform before the House today is the same reform the Conservatives introduced last year and which the Liberals have re-established and will continue to apply.

That reminds me of the question Premier Daniel Johnson of Quebec, still a true federalist, put to this government. He asked: "Look, who is in charge in Ottawa, the bureaucrats or the government?" That is what we have come to realize with this bill. The machinery of government kept working after October 25, and no one bothered to stop it. That is why these things are still going on.

When you live in the lovely Ottawa region, it is very easy to forget that some people are stuck with unemployment rates of 20 or 25 per cent and to conclude that UI beneficiaries are people who do not want to work. It is not true. If the unemployed were happy, they would not have the highest rates of suicide and prescription drug use. They would not have to put up with high crime rates and other social problems.

Some ridings and regions are more dependent on the economic situation; in those regions, we need new ways of coping with structural change. But this government lacks imagination and awareness and takes no action.

As a matter of fact, I am very happy to be part of the Official Opposition because it gives me the opportunity to speak for those who have no voice here. The two provinces most affected are Newfoundland and New Brunswick. Quebec, too, is hard hit. We have been taking the floor for three days in an attempt to convince members opposite to change their mind. Government members should be rising to demand that this bill or at least the clauses on unemployment insurance be withdrawn.

*[English]*

**Mr. Ray Speaker (Lethbridge):** Madam Speaker, I thank you very much for the opportunity to take part in the debate on Bill C-17.

What I want to do in these 10 minutes is summarize the arguments of my colleagues in the last three days of debate. We have looked at this omnibus legislation and in all omnibus legislation we have a difficult time in deciding whether we vote for it or against it because involved in that type of legislation are often some good ideas and often ideas that are partly acceptable and some that are not acceptable at all. That is the choice we have to make in the final analysis, whether in an overall sense there is enough on the pro side to move one to a position of a vote of yes rather than a vote of no.

That is the way the bill has been presented. The ruling of the Speaker was that is the way the debate will carry on and we intend to do that. We want to put the government on notice, however, that at committee stage and at report stage it is our intention to be very aggressive in some of the areas before us.

(1310)

I would like to touch on each of the important principles in the bill.

First of all, with regard to public sector compensation, we support the government's freezing of salaries as it has at the present time and also the freezing of the increments. There may be some abnormal circumstances or anomalies arising during the next period of time and I hope the government will be considerate and compassionate. I hope it will be able to deal with any of the circumstances that may in an adverse way affect some employee in government who, in terms of their responsibility, may have a right to an increase or fair pay for the work that they present and the responsibilities that they take in the public service.

I think of the Government of New Brunswick, I think of the government of Alberta when an issue such as this arises and the government either freezes a salary or reduces it. I have heard this from government and I have heard people in the public sector say they are being treated unfairly, governments are trying to balance their budgets on the back of the public service. We have to assess that statement and look at the framework in which it is being made.

*Government Orders*

As I walk through my constituency—I am sure it would be consistent no matter what community I visited in Canada, whether it be a major urban centre or a small community—I find people supporting themselves through some entrepreneurial endeavour. I find that their incomes have been reduced in the last four to five years in a significant way. They have also reduced the number of their employees. In the majority of cases it is 20 per cent to 25 per cent.

Their expectations have been lowered. They have made an adjustment in the business community. I visited 800 businesses in Lethbridge in the latter part of 1993 and again in 1994. They saw they were under economic pressure. The only way they could continue their businesses was to have a balanced book in which the revenues would somewhat equal the expenditures. They could not go out and borrow more to maintain their staff levels, their expenditure levels or the standard of living that they and their families were enjoying. They had to make adjustments.

They made those adjustments. They quietly made them. Many of them maintained their businesses. They are in place looking for growth in the economy. Certainly they have placed their confidence in us as members of Parliament to assure and to work toward factors that will bring about that growth.

They have made a significant adjustment, more than the 5 per cent that is being requested in the province of Alberta, more than the 7.5 per cent that is being requested in the province of British Columbia. On that basis we support this first move of the government in terms of freezing not only the levels of income but the increments that usually follow from year to year to the public service.

The second area is the reductions to the Canada assistance plan and the Public Utilities Transfers Act. Again we recognize the need for that. The government must consider the fairness with which it is done. In 1991 a cap was put on the amount of money that was transferred to three of the provinces of Canada. The other seven provinces did not have that cap. Now the cap is being put on all of them. Supposedly there is equity in the distribution of funds so that each Canadian, in no matter which province, is treated fairly in terms of those programs. As members of Parliament we must examine the concept of equalization. I spoke on an earlier bill in this House that brought about the equalization formula. I made the point that if the equalization formula is right and fair and is doing its job, it will mean the equalization of funding across Canada for a variety of programs. If that is correct, every other program that redistributes income or dollars to the provinces or a transfer of dollars to individuals in Canada should be done on an equal basis because we have created equality. I hope when the government implements this program it keeps that principle in mind.

(1315)

The third area in this bill is with regard to transportation subsidies. We would support these reductions in terms of our economic conditions because we have to make those kinds of decisions. We feel that western Canada in terms of the Western Grain Transportation Act and the maritimes should be involved in the decision-making and the government should consult those respective parties as these programs are delivered and the shared responsibility for them is taken.

The other area in this bill is the borrowing authority that we are giving to the Canada Broadcasting Corporation. We do not support that because we feel this is only another avenue by which funding is going to the CBC in order to pick up its deficit. In the last fiscal year I believe its deficit was between \$40 million and \$60 million.

We do not believe this is the right thing to do and we certainly are going to be speaking about it in subsequent debate. We do not believe that the capital projects the CBC has in mind can be repaid in a period of two to three years as it stated to us in our briefing on this part of the bill. We do not believe that can happen.

We believe that another means is being established by which the CBC is able to secure funds by borrowing. We must recognize that the Government of Canada, this Parliament, in the end result has the responsibility of picking up the deficit. If this plan of the CBC does not work, we are on the hook. It is just another way that public funds are put into the broadcasting system of this nation. We think this authority is opening up a valve that cannot be controlled by this Parliament, even though there is a lid of \$25 million on the amount that can be borrowed.

The last area is the area of unemployment insurance changes. I know that has received a lot of debate in the House, both the pros and cons, the good and the bad. We believe that this program should be put on an insurance basis so that if someone loses his or her job, he or she has income during the interim period between jobs. It should not be an income program as it has been. It has changed from its original objective to an income program in many instances.

I know presumably responsible people who have highly paid jobs for three or four months who after that automatically go on unemployment insurance and take advantage of this government income. It is in every business community that we can think of. It is up to us as legislators to stop that in any way that we can.

In conclusion, and I realize I only have a few seconds left, I will make these two points.

First, we are going to vote against this because of the mixture of principles that are in the bill. Our position is weighted on the side to say nay to the bill.

*Government Orders*

Second, we are opposed to some of the measures that are contained in the bill and we are concerned that the reforms do not go far enough. They could be extended and be better for Canadians.

On that basis, and I summarize this for my colleagues in the Reform Party, it is our intent to vote nay on this second reading of the bill.

(1320)

[*Translation*]

**Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies):** Madam Speaker, during the two-week Easter break, I am sure many members, particularly those representing eastern regions, have had the opportunity to find out what their constituents and Canadians in general think about the conclusions and consequences of the last budget.

In my riding, right in the middle of income tax time, people called by the dozen to complain and say how mad they were about the government digging again into their pockets to take more than what was planned. With the implementation of the new regulations on unemployment insurance, ordinary workers will again be the ones to foot the bill for the cuts imposed by the budget.

Before the election, the Prime Minister said to people in his riding that he was still the "little guy from Shawinigan" and promised, in clear enough words as we all heard on TV, a shower of contracts that would create jobs in his region where the rate of unemployment is quite disastrous. A few weeks only after his election, he strikes; he goes after all the unemployed in his riding. We should not be surprised that the Prime Minister of Canada has to be surrounded by bodyguards when he visits his riding.

Madam Speaker, I represent a riding in east-end Montreal, Anjou—Rivière-des-Prairies. This district has been suffering the ill effects of the recession for longer than the rest of Canada. As far back as 1987, the government recognized the very serious case of chronic unemployment in that riding. That is why I want to talk about Bill C-17 today.

According to the document tabled by the Minister of Human Resources Development at the time of the budget, and I quote: "The proposed changes to the UI program are designed to promote job creation, adequacy and fairness". The minister is therefore telling us that the fundamental reasons for changing the unemployment insurance program are adequacy and fairness. We will see that it is not so. When you look at the bill before us, you realize that the Liberals have simply dug up a bill that was being prepared by the Conservatives, as others have already pointed out.

As three researchers at the Université du Québec à Montréal said in a study on the federal budget and the unemployed: "The federal budget of February 22 forecasts a net reduction in the

deficit of \$8 billion for 1995-96" but they say that only half of that, about \$4.1 billion, will come from new measures announced by Finance Minister Martin. The other half comes from a continuation of the measures announced in the Mazankowski budget. Since Canadians and Quebecers have chosen to get rid of all but two of the members of the former government, one can safely assume that they were not exactly pleased with these ineffective measures to create jobs.

As a matter of fact, in the study we just mentioned, the UQAM researchers dealt at some length with the inefficiency of these measures. They had this to say: "We fear that reducing the length of the benefit period will be quite ineffective and will not bring about the desired results, namely, as to Mr. Axworthy himself said, to oblige recipients to work for a longer period of time in order to qualify for benefits for the same number of weeks. Current research does not allow us to draw conclusions on how the length of the benefit period affects job tenure and the length of unemployment in Canada". They conclude on this note: "It certainly does not support the minister's position".

And yet, the Minister of Human Resources Development had at his disposal the tools necessary to evaluate the inefficiency of the measures he was about to propose since, as early as the fall of 1993, the National Council of Welfare—a body created in 1969 by the Liberal government of the time—said the following in its report: "Changes to unemployment insurance which would exclude certain workers could lead to an increase in welfare rolls."

(1325)

Ironically, this would add to the financial burden of the federal and provincial governments, which are already worried about their huge deficits. That is what we see happening in fact, although unemployment is supposed to have gone down a few points, in Quebec or the Maritimes or elsewhere.

What is actually happening is that people are leaving unemployment insurance to go on welfare. There is no employment recovery, then; that is nonsense. The authors of this report continue: "Before thinking of reducing unemployment insurance further, governments should do more research on the connections between unemployment insurance and social assistance." We can reasonably believe that, if the measures concerning unemployment insurance contained in this bill are adopted, any resulting decrease in the number of unemployed people will just add to the number on welfare.

The government, for its part, estimates that the impact on provincial welfare programs will total \$65 to \$135 million. The study that we are quoting today speaks of \$1 billion, of which \$280 million would be borne by Quebec. As we clearly see, this government is just passing its deficit on to the provinces again. Meanwhile, our pseudo-premier of Quebec says nothing about it, but the voters are not fools. They well know that when the federal government transfers its deficit to the provinces,

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whether it is in Quebec City or in Ottawa, they always end up paying the bill.

So what other issues or reasons could have motivated the minister to present this bill or have it passed? It is simply to lower the deficit. Once again, the poorest people in society are being made to bear the burden of the blunders committed previously by all levels of government.

We all know that the government could have tried to save money quite differently. The three economists of the Université du Québec à Montréal mention one way, which I will quote here: "There was no shortage of ways to reduce federal spending besides the budget for unemployment insurance." The government could simply have opened the last few annual reports of the Auditor General of Canada—I should have brought them with me, they are very thick—in fact, any report at any page. It would have found enough cuts to make without once again going after the unemployed.

Under the circumstances, we have no choice but to say that the government did not do its job properly. In fact, I should rephrase that comment because it is not strong enough. Once again, the Liberals merely pursued the previous government's policy, a policy which they vehemently criticized when they sat on this side and which allows the rich to get richer, while penalizing the poor.

The report released by the National Council of Welfare clearly showed the way to go. Our priority should be to develop tax and economic policies which will lead to a reduction in the number of unemployed people. The best way to reduce dependency on welfare or unemployment insurance is to ensure full employment. But this is clearly not being done.

People in my riding are fed up, and so are ordinary citizens in Quebec and in Canada. They are fed up with seeing their purchasing power being eroded day after day. They are fed up with seeing the deficit still growing after being told for years that it will diminish. Our only perspective is a disastrous deficit of \$500 billion. And we are told that, for sure, it will climb to \$600 billion in the next three years. People are fed up with seeing successive governments resort to the same old solutions which have already proven to be costly, ineffective and illogical.

Last October, voters in Quebec realized of course that they should not support those who resort to these old solutions which have the direct effect of ruining the country. Soon, when the next provincial election is held, Quebecers will again display the same wisdom. It may be that, in the not too distant future, we will achieve the ultimate goal of this process and find the true solutions for us Quebecers by becoming a sovereign state which will eliminate the useless spending, wasting of public money and overlapping of systems which our governments have been tolerating for too long and which they ironically refer to as profitable federalism.

[English]

**The Acting Speaker (Mrs. Maheu):** It being 1.30 p.m., pursuant to order made earlier this day it is my duty to interrupt the proceedings and put forthwith the question on the motion of Mr. Milliken.

Is the House ready for the question?

**Some hon. members:** Question.

**The Acting Speaker (Mrs. Maheu):** Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mrs. Maheu):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mrs. Maheu):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Mrs. Maheu):** In my opinion the yeas have it.

*And more than five members having risen:*

**The Acting Speaker (Mrs. Maheu):** Pursuant to order made earlier this day the recorded division on the motion will take place on Tuesday at 5.30 p.m.

[Translation]

It being 1.30 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

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## PRIVATE MEMBERS' BUSINESS

[Translation]

### CANADIAN NATIONAL RAILWAYS

**Mr. Michel Gauthier (Roberval)** moved

That in the opinion of this House, the government should approach Canadian National Railways and have it authorize the privatization of the Franquet—Chapais trunk line for a nominal sum and ensure the maintenance and consolidation of the CRAN subdivision in the riding of Roberval, in order to promote mining and forestry development in the region.

He said: Madam Speaker, I am taking this opportunity to put this motion before the House so that it can be debated by members of Parliament, because in my riding of Roberval, and especially in the Chibougamau—Chapais area where mining development is vitally important, rail service is to be abandoned pretty soon.

I know that the region of Lac-Saint-Jean and Chibougamau-Chapais is not the only one in Quebec, and indeed in Canada, where rail services are being shut down. I know that Crown corporations need to rationalize their expenses. I know the various services provided to Canadian taxpayers are expensive. But I also know that infrastructure is needed to further the economic development of a region.

Some people will say that, of course, we must shut down trunk lines, especially those that are not really profitable. However, as far as the region of Lac-Saint-Jean is concerned, and especially the Chibougamau area, we are talking about a crucial infrastructure for mining development throughout the region.

I know that members of this House are in the habit of using such expressions as "it is vital for the development of my region" and we "cannot do without it".

(1335)

In this instance, we should realize that a railway is frequently the only viable alternative for moving the output of mining companies from a remote region like Chibougamau-Chapais or even Saguenay-Lac-Saint-Jean, both of which are quite far from Quebec City or Montreal. Infrastructure is needed to offset geographical disadvantages.

I would not raise this issue in the House if the CN did not turn a deaf ear to repeated pleas by people in my riding. I would not make representations in the House if the Minister of Transport proved more sensitive to this problem.

Yes, we can all agree on reducing rail service in many regions o Canada. We are ready to look at the problem responsibly as elected representatives who want to spend public money sparingly. My colleagues responsible for regional development and transport tried to make the Minister of Transport more aware of the problem and get regional public hearings before unfortunate decisions are made that could jeopardize the future of a whole industry.

Unfortunately, I was not able to convince the Minister of Transport that he should review these decisions. I have found and read reports dating from the days when those who are now government members or ministers were in opposition. In a paper those people, including the present Minister of Transport, wrote and signed, we read that the Conservatives set out to dismantle our railway network, especially in Quebec. They called for an end to that strategy, which was being implemented irresponsibly, and demanded public hearings in affected areas to allow people there to at least have a say and voice their concerns.

One cannot make cuts in a railway system, in an infrastructure essential to the development of an area, and get away with it, if

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one has not previously taken the trouble to go to listen to local people and determine the risks involved in dismantling it.

It has to be understood that there are two important rail lines in northern Quebec, namely the Franquet-Chapais line, which is the object of my presentation today, and the CRAN line.

In the case of the Franquet-Chapais line, Canadian National Railways, when it submitted a request for abandonment, was authorized to dismantle this rail line in June. You can understand, Madam Speaker, how important it is to deal with this issue today because, starting in June, CN will be at liberty to dismantle the Franquet-Chapais rail line, the line between Franquet in the Abitibi and Chapais in the Chibougamau-Chapais region.

Canadian National Railways has also indicated that it intended to ask the Transport Commission for authorization to abandon its operations on the CRAN line. For the benefit of those who are not familiar with the local geography, the Franquet-Chapais trunk line is presently not in use, operations having been stopped for some time already. The mining companies are using the CRAN line for their operations.

Just imagine the vicious circle the people of Chibougamau-Chapais are caught in; they need rail service to carry their ore, but the Franquet-Chapais trunk line was closed down some months ago and is about to be dismantled, and now CN is announcing that in an effort to streamline, it has decided to drop rail service through the Lac-Saint-Jean region that allowed the companies to carry on their operations.

(1340)

It is absolutely unthinkable to use trucks for transportation in the mining sector. Yet, that is what the people of Chibougamau-Chapais are being told to do, use trucks to transport the ore to where the concentrators and the necessary facilities are. However, this would mean a 50-per-cent increase in transportation costs. Given the state of the economy today, what business could absorb a 50-per-cent increase in operating costs? In some respects, this decision jeopardizes the development of the Chibougamau-Chapais region.

The Franquet-Chapais line is located along a geological fault where new deposits are discovered nearly every day. New hopes arise each day along the geological fault, from the Chibougamau-Chapais sector all the way to Abitibi. Ore deposits are being discovered every day and every day, new projects are on the verge of being launched. However, a decision such as the one Canadian National is preparing to make will snuff out any hope that the Chibougamau-Chapais region may have. This is a region in desperate need of hope, given its remote location in

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northern Quebec, a region which relies on the discovery of new mines and new deposits for its development.

The people of Chibougamau—Chapais are proud. They depend neither on the Quebec government nor on the federal government for their livelihood. They are involved in mining operations, make good money and contribute to the economy of this country, of Quebec, of the Saguenay—Lac—Saint—Jean region and of Abitibi as a whole.

What you have here is an entire region not begging for hand-outs or asking the government to go out of its way to create temporary jobs, an entire region capable of creating real, productive employment to help increase Canada's gross domestic product. You have people willing to contribute to our collective wealth. Are jobs not scarce these days? When any initiative should be welcome and every effort should be made to support economic development and job development instead of investing in social programs, temporary programs and even infrastructure programs?

Here is a suggestion. The hon. members and ministers opposite are out of ideas and are wondering how to pull the country out of this recession. They are looking for ways to regain the considerable number of jobs lost in Quebec since the beginning of the recession. Figures published this week revealed that—if these timid actions are all this government has to propose—it will take three years to restore the level of employment enjoyed in Quebec before the recession. But when the people of Chibougamau—Chapais find new mineral deposits, propose economic development solutions, try to increase the wealth of this country, they see their initiatives jeopardized because the Minister of Transport disowns his signature.

The Minister of Transport refuses to be sensitive to the people of Saguenay—Lac—Saint—Jean, of Chibougamau—Chapais. The Minister of Transport is no longer the man of the situation and the government refuses. The people responsible for setting up the economic team which it lacks flatly refuse to see the light.

(1345)

The unemployment problem is caused by people who refuse to seize opportunities. However, the people of Chibougamau—Chapais, in desperation, decided to take matters into their own hands, to make up for this government's inefficiency, to thwart CN's plans and they called for the privatization of this trunk line. Let the champions of private enterprise stand up in this House, if there are any among the members across the way. They wanted to privatize the network, to have CN transfer the Franquet—Chapais line to the people of Saguenay—Lac—Saint—Jean—Chibougamau—Chapais for the nominal sum of one dollar so that they could keep this section in operation until such

time as it will become absolutely indispensable, with new mining discoveries. Let these people hang on to this life buoy, this line which CN wants to dismantle.

The request was made. Our people did their job. They asked CN and they got this answer: "We would get \$5 million for the line's old steel—the railway being made of steel—, so we are going to sell the line to you, the people of Chapais, for \$5 million." Big deal! CN is acting as if it had not stayed in business because of the taxpayers' money, as if it was the railway's sole owner and had paid for it without the help of taxpayers. It is forgetting that the Franquet—Chapais line, like all other rail lines in Canada, was paid for by the hard work of generations and generations of Canadian workers.

Why should we deprive people of the opportunity to take charge of their own lives? Could someone across the way explain to me in a sensible way, without partisanship, trying only to think that we must help people, that we were elected to support our people, to defend them, to help them earn a living, could anyone explain to me why we should refuse the request of people who are not asking for anything, but only to buy for a nominal sum a rail line which was closed down by CN? Why refuse that? Is it impossible to respond to these demands? I appeal to my colleagues on the other side. I appeal to the Minister of Transport. I appeal to the Minister of Finance and Minister Responsible for the Federal Office of Regional Development. I appeal to all my colleagues on this side of the House and my colleagues in the Opposition. Why should the government not reexamine such an issue and allow people to take control of their lives and ensure their development? What else does it want? Did it ever receive a more attractive proposal from a group of citizens who want to live, who want to survive, who want to ensure their development without asking anything from the government? I am proposing to the government a job creation program that will cost only one dollar, but will bring in lots of money to the government and will allow people from our region to use that infrastructure. While the government is putting millions and billions of dollars into the development of infrastructure that does not exist, it keeps citizens from acquiring, for one dollar, something which already exists and which is necessary. Explain that to me, Madam Speaker.

Finally, I would like to tell you that this issue is very serious for my region and for Saguenay—Lac—Saint—Jean. There are so many raiy lines in western Canada. And we agree that they are needed.

(1350)

We understand that for the sake of the economy in that region, it is necessary to use rail lines as links between urban and rural centres, in order to transport grain and various commodities. We understand that. There is no one on this side who has asked to

dismantle those lines. Everyone agrees that they are important for the economic development of that part of the country.

But we ask that the same sensitivity been shown towards the East. Why should that not be the case in the East also? What makes Chibougamau–Chapais less remote than any other area in the West, say northern Manitoba or Saskatchewan? Where is the difference? Lines are maintained when they are important to development in western Canada, and we agree with that. But we cannot agree to the dismantling of rail lines that belong to us in our area.

Moreover, we want to buy that line and keep it open. We simply want Canadian National to give us back the taxes we paid to finance the construction of those trunk lines. As I see it, the Canadian National is a one-way organization. They pull the plug to drain away the savings of Canadians but when the time comes to open the tap at the other end, there is nothing left. I think this is the way things are done.

We would ask the government to take action on that issue in a non-partisan way and without using the schemes that some would want to see implemented in that case. There is no concept as reasonable and as cheap as the one that has been submitted to this House to guarantee the development of a region.

Some businesses will inevitably close down if that trunk line is abandoned. With a 50 per cent increase in transportation costs, it will not be possible to ensure the economic development of Chibougamau–Chapais. Annual wages of \$50,000, \$60,000 and \$70,000 are paid in the mining sector. Our people are proud of those wages, but they work very hard to earn them. However, we need help. Is there anyone in this House who would refuse to support a motion that gives one dollar to the government, that ensures the development and the pride of a region, that ensures people that their livelihood will not be taken away from them?

I see that my time is up, Madam Speaker, but I would ask the members of this House to show solidarity. We have to save the Franquet–Chapais trunk line. We have to hold public hearings on the dismantling of the rail network in Quebec and in the rest of Canada.

**Mr. Eugène Bellemare (Carleton—Gloucester):** Madam Speaker, I thank you for this opportunity to speak on Motion M-194, presented by the member for Roberval. The motion asks the government to call on Canadian National Railways to sell the Chapais line for a nominal sum and to ensure that CN maintains the neighbouring CRAN subdivision.

Concerning the first part of the motion, let me first give a brief summary of the present situation of the Chapais subdivision and to explain how it got that way.

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Parliament delegated to the National Transportation Agency the powers necessary to enforce the provisions of the National Transportation Act, 1987, on the abandonment of rail lines.

In 1987 CN asked the Agency for the authorization to abandon a 90-mile section of the Chapais subdivision, between Franquet and Chapais, because it was losing money on it.

After reviewing the case presented by CN and the testimony gathered at public hearings held in 1989 across northern Quebec, the Agency agreed that the line was not cost-efficient but that there was a reasonable probability of it becoming so in the foreseeable future and that its operation should be maintained in the public interest.

Consequently, on January 31, 1990, the Agency rendered a decision ordering CN to keep operating the line.

(1355)

As provided for in the law, three years later, the agency reviewed CN's application for abandonment and ruled that, with the exception of a six-mile section, the line was not profitable and there was no reason to believe it could eventually turn a profit.

On July 12, 1993, the agency ordered CN to continue operating the six-mile section between Franquet and a site near Grevet and allowed CN to stop operating the 91-mile Grevet–Chapais section as of August 12, 1993.

I must stress that, in the last five years, the line was only used in November 1992 to transport Hydro-Quebec transformers.

We must realize that the operation of this line costs CN over \$600,000 in annual losses. Since the NTA order requires CN to keep the line in service, CN receives compensation for its losses from the federal government, or rather from taxpayers. So the Chapais subdivision is operational but does not handle any traffic.

It is quite understandable that local communities, fearing the impact losing the line would have on their economic development, lobbied the former government, which issued an order delaying abandonment until May 31, 1994. The purpose of this nine-month delay was to allow interested parties to review various options to maintain the line.

CN is ready to sell the line. However, nothing is happening and CN should be allowed to go ahead. But the matter is not necessarily closed. Once the abandonment order is in effect, CN can sell its right of way and facilities without any kind of federal regulatory approval, which it cannot do at the present time. Currently any interested buyer can negotiate a selling price for the line with CN.

Which brings us to a very interesting aspect of this motion, the expression "nominal sum". As a commercial Crown corporation, CN received from Parliament the mandate to operate like a business in order to remain viable. I fear that a business cannot

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remain viable if it sells land and salvageable steel rails for what is commonly called a "nominal sum." Too often, we associate the concept of "nominal sum" with the amount of \$1, instead of at least considering net salvage value which can amount to millions of dollars.

It is therefore not necessary for the government to authorize CN to sell the Chapais subdivision. CN is ready to sell the line at a price equivalent to the value of the land and the net salvage value of the track facilities. It has all the necessary authority for this.

Madam Speaker, if I may, I will briefly talk about the second part of the motion, that is to obtain a guarantee that CN will maintain the neighbouring CRAN subdivision, and make sure that it is integrated in such way as to promote mining and logging in the region.

Maybe I should apologize, but I do not understand the meaning of the word "integration" in this context, and neither do the officials of Transport Canada. The CRAN subdivision is a side track to and from transfer points to lines with much heavier traffic. In order to be operated properly and safely, the track and the related infrastructure must be properly integrated.

As for the maintenance of the CRAN subdivision, CN is seeing to it. CN also uses this track for rail traffic within the region. Railway activities and maintenance work done by CN in the CRAN subdivision are regulated by the government and supervised by railway safety inspectors designated by the minister.

In conclusion, I want to insist on the fact that existing statutory provisions and policies allow for the purchase of the CN's Chapais subdivision. CN wants to sell the line. As for the CRAN subdivision, it is operated by CN according to operation and maintenance standards approved by the federal government under the Railway Safety Act.

(1400)

For all these reasons, I cannot support the motion.

**Mr. Maurice Bernier (Mégantic—Compton—Stanstead):** Madam Speaker, I am very disappointed by the answer from the government member to the motion of the hon. member for Roberval asking for the maintenance of some railroad lines in Saguenay—Lac-Saint-Jean. When you listen to the government member, we would almost think we were hearing CN officials. I imagine that the member's reply was prepared by CN officials, because what we just heard is almost exactly the same as the letters sent in recent years by CN to all concerned, regarding this line.

The problem with this government is its lack of sensitivity to regional development and its lack of vision when it comes to

public policies. This comment has been made before, but this is yet another prime example of this shortcoming. The Liberals are merely repeating the mistakes of the previous Conservative government which they so vehemently criticized for years in the House and elsewhere, insisting all along that it be more compassionate and more sensitive to the regions.

This is a good example where residents of a region, in this particular case Lac-Saint-Jean and Chibougamau, are not asking for subsidies. They are not begging to get money from the government in order to maintain and preserve their economic development. If the hon. member for Kingston and the Islands gives me a few moments, I will convince him of the merits of this motion.

People from Chibougamau—Chapais and from Lac-Saint-Jean are merely asking that we respect their desire to look after their own economic development in the years to come.

In his reply, the Liberal member used CN figures when he said that, in recent years, the line had been used once by Hydro-Quebec to transport transformers.

The hon. member for Roberval spent 20 minutes explaining why rail service must be maintained in this region, and he pointed out that, nowadays, given the crisis in the mining industry, the rail line is not being used as much as it would be if there were a boom in mining development. Who knows, in a week, a year or two years from now, the mining industry may enjoy an incredible boom. What would happen then, Madam Speaker, if we decide now to dismantle the rail lines and get rid of this infrastructure? The taxpayers will have to reach into their pockets once again to rebuild roads or rail lines in order to further the economic development of their region.

In his speech, the hon. member for Roberval raised another important issue to which I want to come back, and that is the ownership of this rail line.

(1405)

This rail line does not belong to the private sector but to a public institution called Canadian National. As my colleague has mentioned, for many decades, in fact for more than a century, Quebecers and all Canadians as well were involved in financing and maintaining this service in all regions of Canada. Therefore, they are the real owners. This rail line does not belong to the President of Canadian National or to officials in the Department of Transport. It belongs to the citizens who paid for it over and over again.

If we had to keep in mind only this criterion, which is the immediate cost effectiveness of a rail line, what would happen to the rail lines in western Canada which get hundreds of millions of dollars in subsidies for grain transportation? As my colleague pointed out, we, in the Bloc, are not opposed to

subsidizing grain transportation in the West. We want fair treatment.

In this case, we are not asking for subsidies. I repeat, what we want is to allow the people of Lac-Saint-Jean and Chibougamau—Chapais, who have always shown considerable dynamism in their economic development, to allow these people, who are simply asking their government to show some sensitivity, to acquire this segment of the railway, which they will manage to make profitable.

Does this mean, and are we to conclude from what was said by the Liberal member, that the only way the people of Lac-Saint-Jean and Chibougamau will be able to save this rail line and obtain ownership will be when we have a sovereign Quebec and own a railway network that has been paid for many times over? That is when the people of this region will really be able to take control of the development of their area.

We are always being accused in this House of bringing up Quebec's sovereignty, but the technocratic and unfeeling response of the member from Ottawa leaves us no alternative.

In concluding, I would like to return to this government's lack of vision on the issue of railways. To paraphrase a common expression, one could well ask: Who is minding the Department of Transport?

**Some hon. members:** Hear, hear.

**Mr. Bernier (Mégantic—Compton—Stanstead):** Is there anyone who is capable of making decisions? In the next few months, there will be some important changes in the railway sector in eastern Canada, and I am referring to the CN-CP merger. The government is waiting for a decision from senior officials to find out whether or not to recommend the merger.

A number of decisions must be made now, including whether or not to proceed with the CN-CP merger, and to conduct studies on the viability of the rail lines, and finally to help the people of Lac-Saint-Jean and of Chibougamau—Chapais take control of the development of their economy by letting them develop this rail line.

[*English*]

**Mr. Jim Gouk (Kootenay West—Revelstoke):** Madam Speaker, I would like to raise a few points and some issues with regard to the motion by the hon. member for Roberval.

I am going to be as frank and straightforward as I can possibly be with him. Hopefully by doing so I will be able to get closer to the heart of what he is proposing.

I would welcome the opportunity to have the various doubts I have about the member's motion cleared up. First I should spell out some of the issues as I see them. To begin with let us take a good look at the Franquet-Chapais line that the member is in

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favour of privatizing. Let us examine the history of this trunk line so that we can better understand what it is that is being requested.

(1410)

The line in question, which is 97 miles long, is located in northern Quebec. This is a rather short line but it would make no difference to Canadian National which controls the line if this route were considered a profitable one. However, it is not. Let me make myself very clear about that because CN officials have stated unequivocally to me that the Franquet-Chapais line is not profitable and has not been for quite some time.

CN Rail first applied to the National Transportation Agency for abandonment of the line in 1989. At that point, to quote the railroad, there was no traffic at all on the line in question.

The NTA ruled that the line was not economical to maintain and operate and stated that there was no near term possibility for that line to become profitable. At that time the NTA also pointed out there was a reasonable possibility the line could be economically valuable at some point down the road.

As a result of this CN Rail was told to continue operating the line for a period of three more years to determine beyond a doubt whether the line had any economic potential. As it turned out, it did not.

The Franquet-Chapais line has been a drain on CN's resources ever since and traffic on that line has continued to be next to non-existent.

In 1992 the NTA reviewed the case again and ruled that all but six miles of the entire 97-mile route were uneconomical with "no possibility that it could become feasible to operate".

Since that time the line has existed in a sort of railway hinterland. It has not been abandoned outright but this is due to occur on May 31, 1994, unless a private buyer can be found for the line.

What should we make of this? I presume the hon. member for Roberval raised this motion in order to head off the unhappy destiny this trunk line is about to meet. I think that is both an honourable and just thing for him to do. After all CN has stated quite flatly it has no use for that line and no desire to keep it in service any longer.

The member has nothing to lose by putting forward his privatization motion and everything to gain.

I would like to point out a few minor things, however, which may run against what the member is trying to accomplish with his motion. Number one, allow me to say to this House that although the Franquet-Chapais line has been on the CN auction block for a good number of years not a single private or public

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body has ever expressed a concrete interest to CN officials in purchasing the line, not one, Madam Speaker.

Where then would the hon. member suggest a real buyer be found for this trunk line? It may be accurate for him to say that such a line would allow mining and forestry development in the northern region of Quebec but such potential did not transpire overnight.

Even when the Canadian economy was booming and prices were high for mineral and wood products, there was not one proposal put forward to CN which called for the 97-mile route to be taken off the railroad's hands.

With this in mind at a time when the natural resource industry remained depressed I sincerely do not know how the member hopes to find a saviour, a white knight who will rescue the Franquet-Chapais line from its ultimate fate.

Let us not be mistaken. CN Rail has not been jealously guarding its many trunk and feeder lines in the hope of preventing potential buyers from taking them away and making better use of them. Quite the contrary, in fact.

For a number of years Canadian National has been making a strong concerted effort to sell off its smaller lines to private interests in hopes of concentrating more fully on the primary areas of operation and reducing its staff and maintenance costs. The sell-off has been even more actively promoted in eastern Canada. In fact, CN even went so far as to produce a line of all trunk lines that it felt had a real potential for interested buyers. Unfortunately the Franquet-Chapais line did not make that list. I believe the reason for this was simple. It has been a consistent money loser for years while many of CN's other trunk lines were managing to turn a profit.

What is one to make of this predicament? CN Rail went even further to do away with lines like the one in question. It actively pursued sales offers not only from the private industry but also from other public entities such as municipalities and even the Quebec government. Not one of these bodies expressed an interest in taking on the Franquet-Chapais line.

(1415)

Simply put, CN Rail would love someone to take the line off its hands but no one has approached the railroad about it and time is running out for anyone to do so. Therefore, what am I to make of the hon. member's motion? It is certainly well intentioned and I commend him for that but I honestly do not know if it is feasible. This is where my concern lies.

That is not the end of the confusion surrounding this motion. Officials I have spoken with at CN expressed some concern about the vague terminology of the member's motion, especially the phrase that calls for the line to be offered to a bidder for a nominal sum. What is exactly meant by this unclear choice of words? He has cleared that up a bit today.

In terms of what CN Rail would actually be willing to see the Franquet-Chapais line sold for, federal transportation policy is very explicit and, I might add, quite reasonable. If a company wishes to take over unwanted rail line from its owner at any point during the abandonment process and is willing to pay the basic salvage value of the rail line as determined by the National Transportation Agency then the railroad must sell the line in question.

In the case of the Franquet-Chapais line this abandonment process has been dragging on for a period of five years but no potential buyers have forced CN to divest itself of this asset. I may point out that the concept of salvage value is important here because it shows that CN could not possibly be holding on to a money losing line because it is not getting top dollar offers from outside sources.

In actual truth the railway simply has not received any purchase offers for the Franquet-Chapais line, period. It could be that in this case the total salvage value of the 97-mile route would turn out to be nothing more than a nominal sum. Is this what the hon. member is actually driving at?

My impression is that he would be satisfied to turn the trunk line over to private interests for the sum of \$1. Certainly this would accomplish his goal but it would not be a benefit to CN. It would open every line in its system to takeover for \$1. In fact, CN Rail would never agree to such a proposal and this is the hard fact of the situation. The Franquet-Chapais line is worth more to CN sitting idle than it would be as a gift to private investors.

Let me express my sincere sympathy for the member for Roberval because I understand very well what he is trying to accomplish with his motion. My riding is also facing rail problems similar to those that have plagued the Franquet-Chapais trunk line.

In British Columbia's Slocan Valley, a rail line is being threatened with closure because of a variety of negative economic factors. I understand what the member is driving at. I am now trying to get abandonment proceedings delayed in my own riding just as has been done in the past in the hon. member's own area.

If a delay in Slocan Valley is successful as it was in his own area with the Franquet-Chapais line, then it should be up to that specific area to promote rail business through local economic development if the people of that area want to keep the rail line in the long term.

In the case of the Franquet-Chapais line the citizens of the region had the chance of stretching it over a five-year period to bring about the renewal and redevelopment of the line. Unfortunately, it appears that nothing was done with this opportunity. This suggests that there simply was no business to promote on the line to begin with.

Hopefully the Slocan valley rail line that is now on the chopping block will be given the same chance for renewal the Franquet-Chapais line has already had. Hopefully we will be

able to accomplish more with our opportunity and save our line by making it more economically viable for private industry.

However, I do not know how much more can be done in the case of the rail line advocated by motion 194. Private and public investors have had since 1989 to revamp and reinvest in the line and return it to profitability. This has not been done.

I do sympathize with the hon. member's motion but unfortunately I simply do not believe there are any simple solutions to be gained from motion 194.

[*Translation*]

**Mr. John Richardson (Perth—Wellington—Waterloo):** Madam Speaker, I thank you for this opportunity to address this House in French. After only six weeks of French classes, I know I still make mistakes. I agree with the member for Roberval.

[*English*]

CNR, CPR and VIA serve Canada.

It is easy for the member for Kootenay West to get up and reject outright the thesis of the member for Roberval when he is harboured by the Western Grain Transportation Act. They get underwriting which is a subsidy that is not able to be taken by the member for Roberval's CNR track. There is also the Crows Nest Pass and I can go on and on.

This whole thing is why I support the member for Roberval. CNR, CPR and VIA pick off whatever line they like each year until all they have left are very few Canadians who have access to public transportation which has been enormously supported since Confederation; billions and billions of dollars have gone into CPR and CNR, particularly in the west.

Please, enough of throwing mud at each other. Let us work together for a national rail strategy that will serve Canada in the 21st century and not leave one section out to the benefit of another.

[*Translation*]

**Mr. Réginald Bélair (Cochrane—Superior):** Madam Speaker, I feel compelled to take part in this debate today and support the motion put forward by the hon. member for Roberval since my riding of Cochrane—Superior, like many other rural ridings across Canada, is experiencing the very same problems.

First of all, we have to remind CN that its primary mandate is to promote regional development by ensuring the operation of rail lines across the country so that remote areas in particular can develop economically and have access to urban communities in Canada.

I find it extremely unfortunate that CN has adopted such a policy over the last few years. We who live in rural areas of this

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country are beginning to feel abandoned. We are seeing our chances of becoming self-sufficient diminish.

Even though CN wants to abandon rail lines, the National Transportation Agency could intervene to save them, if only it to ensure the future development of our regions.

A few moments ago, I talked about people feeling isolated. Once rail is gone, what are you going to replace it with? Whether we use a bus, a truck or anything else, it will still cost money.

I repeat and maintain that CN has responsibilities to isolated areas and to its employees; it has a moral duty to ensure that all regions of the country have a chance to develop. Dismantling unprofitable branch lines is no way for CN to fulfil its mandate. Absolutely not.

I strongly disagree with what my colleague from Carleton—Gloucester was saying a while ago. At this stage I would like to make a very important digression.

**Some hon. members:** Hear, hear.

**Mr. Bélair:** I am astounded, to say the least, when I see members from urban areas, who have probably never seen a rural rail line, rise in this House to denounce or deny support for the concerns of their rural colleagues.

Thank you, Madam Speaker, for granting me this opportunity to voice my concern.

**The Acting Speaker (Mrs. Maheu):** You still have some time left.

**Mr. Bélair:** Thank you, but I said what I had to say.

(1425)

**Mr. André Caron (Jonquière):** Madam Speaker, hearing the member for Carleton—Gloucester on the profitability of the trunk line, which my colleague from Roberval wants to save from destruction, from being scrapped, I was reminded that some people have never travelled to the regions. Some people have never seen what an isolated region of Canada is.

I am from the Saguenay—Lac-Saint-Jean region where the Chibougamau—Chapais area is located and I can tell you that this region is 150 years old. The first settlers used axes and two-handed saws to clear the land in the hope of finding some future north of Quebec City. These people worked like slaves and never stopped fighting to open up the area to the rest of the world and to get means of transportation. They fought to obtain a road from Charlevoix to Chicoutimi. They fought for a rail line from Quebec City to Chicoutimi and Roberval. They fought for the Chibougamau road and for a road from Chicoutimi to Sacré-Coeur on the North Shore. More recently, they fought for the road to the Far North which gives us access to the development of the great dams being built in northern Quebec.

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Today, they tell us they will close part of a rail line in the Chibougamau region. Of course that line is not being used at the moment. There is a recession, our mines are closed, our miners are unemployed and they are cutting their benefits so these people will now have to resort to welfare. They are closing the doors to the future for these people; they tell them their railroad is worthless, it is not profitable it will be closed and that they will make \$5 million by selling the metal. It is the answer of a scrap dealer.

**Some hon. members:** Hear, hear.

**Mr. Caron:** It is not the answer of someone interested in regional development.

Last Wednesday I took part in a symposium organized in Chicoutimi by people who want to plan their regional development. They want to draw up a strategic development plan for their area. Today, they will be told to forget about including Chibougamau—Chapais in their plan because there are people in the Department of Transport and at the CN who say that if the rail line is not profitable, it must be closed. At this rate, all the roads to Saguenay—Lac-Saint-Jean are going to be closed. What highway pays for itself? What is the government's duty?

The duty of the government is to provide services, it is not to calculate their cost-effectiveness to the penny. Is the Jonquière Hospital cost effective? Of course not. Is the CEGEP in Jonquière cost effective? People will say that we spend millions of dollars, we train people and some of these young people are unemployed, because of the economic policies of past and present governments. It is not profitable, so close it down. At that rate, let us close Canada down. Is Canada profitable? Canada is running a \$40-billion deficit, so close Canada down.

That is why I support the previous speaker's thinking, not on shutting down Canada, but on closing down railways in outlying regions. They are extremely important, they are our arteries, our lifeblood, our economic development depends on them. If we start closing them, we will be paralysed. That is how paralysis occurs in the human body; blood stops circulating. If you close our railways and our highways, if you do not give us the infrastructure we need to develop, we will be paralysed and die.

I am pleased to support the motion of my colleague from Roberval and I am sure that hon. members will support it too.

**Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons):** Madam Speaker, the speech of the opposition House leader was so interesting that I felt I had to add a few words.

The hon. member forgot something. I remember quite well that during a by election in the Lac-Saint-Jean region a few years ago, the Conservative government spent \$143 million to help elect the present opposition leader as member for Lac-Saint-Jean. Why did the hon. member not ask him to be generous with this project, to be its benefactor in return for all the money that was spent?

[English]

Really the money was spent. They should have named this project as one of the things they spent the money on instead of spending it on all of the other projects.

The hon. member knows his leader got this money to get him elected into this House. They spent \$143 million on one byelection in one riding. It is an extraordinary confession when he comes to this House pleading for more money for his riding when all that money was spent in that area just to get his leader elected and he did not get him to do it.

[Translation]

**The Acting Speaker (Mrs. Maheu):** The hour provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), this item is dropped from the Order Paper.

[English]

It being 2.30 p.m. the House stands adjourned until Monday next at 11 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 2.30 p.m.)

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