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**Monday, October 24, 1994**

**Speaker: The Honourable Gilbert Parent**

# HOUSE OF COMMONS

Monday, October 24, 1994

The House met at 11 a.m.

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*Prayers*

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## PRIVATE MEMBERS' BUSINESS

[*Translation*]

### IMMIGRATION ACT

The House resumed from September 23 consideration of motion.

**Mrs. Pauline Picard (Drummond, BQ):** Mr. Speaker, it is with great pleasure that I rise in this House to speak to the motion put forth by my hon. colleague from Calgary Northeast, a proposal that came as a surprise to me, and I must say right away that I am totally opposed to it.

Before preparing my remarks, I read with a great deal of attention the speech the hon. member for Calgary Northeast made before this House to try to understand where he was coming from, and I must confess that a few of the things I read made me jump.

At first glance, the member seems to justify denying entry into Canada to HIV-positive applicants for economic reasons. But a closer look revealed deeper and more troubling underlying reasons. For one thing, the cost argument is not really relevant in this debate, and this for two reasons: first, as regards the real cost of treating AIDS patients, my colleague inflates the figures. Based on available estimates, the cost to treat each patient is certainly not a minimum of \$200,000; it is actually closer to half the amount quoted by my hon. colleague.

In addition, nothing proves that more money will be saved by subjecting immigration applicants to HIV screening than to

screening for other diseases. An extensive study by a group of researchers from the McGill Centre for Medicine, Ethics and Law shows that if Canada were to decide to systematically test all immigrants to determine if they are HIV positive, this would be a political decision rather than one based on economic considerations.

As part of their study, the researchers compared AIDS and coronary disease using available data concerning all immigrants admitted to Canada in 1988 to demonstrate that these two health problems weigh equally heavily on the Canadian health system.

To target only the HIV virus is discriminatory, I believe.

(1105)

In his September 23 speech the hon. member continues to surprise us by saying: "When implemented the motion would be a significant step in the war on AIDS". This shows how little my colleague knows about AIDS. AIDS is an international plague that hits indiscriminately without sparing any society, culture or country.

How can the hon. member think for one minute that closing off our borders will solve the problem? According to this logic, we should also require all Canadians coming back from abroad to take this test. And what about the open border with the U.S., diplomats and the cost of all these millions of tests?

As the Official Opposition critic on health, I am, needless to say, concerned about AIDS. This terrifying disease is spreading at an alarming rate. According to the most conservative estimates, over 30 to 40 million people will have AIDS by the year 2000, less than six years from now. It is predicted that 30,000 Canadians will develop AIDS within the next five or six years. These figures are alarming and closing our doors to immigrants will not change this reality in any way.

So what can we do? While we wait for a cure, the only tools available to try to stop the spread of this terrible disease are awareness and prevention. That is why the Official Opposition is asking the government to create a committee to review the Canadian AIDS strategy, Phase II.

That is also why I regularly ask the Minister of Health to allocate her budget better, because cutting transfer payments for health-care to the provinces every year is no way to help them launch effective awareness and prevention campaigns.

*Private Members' Business*

Spending \$12 million on a forum that will be totally useless is no way either to protect people in Quebec and Canada. If the federal government took the AIDS threat seriously, it would have invested the forum's \$12 million in research or in assistance or awareness programs. Despite several years of efforts to sensitize the population, there obviously remain many prejudices about this terrible disease and the virus associated with it.

The motion before us reflects very well this lack of understanding and the prejudices attached to it. Some still think that HIV can be contracted through casual contact, just like the flu. We know that such is not the case. Others even see this disease as God's punishment. It is high time to sensitize everyone to this disease that will become increasingly present in our society.

What is worse is that those who support this motion seem to mistakenly believe that an HIV-positive person can no longer make a contribution to society, that they can only be a burden to society. This attitude is regrettable and even shocking for Canadians with this terrible disease who must learn to live not only with the virus but also with the prejudices, lack of understanding and fear of others.

We in the Bloc Québécois reject this attitude of denigrating and attacking everything one fears or does not understand; of closing our minds instead of opening them; of telling Canadians: "Let us keep our heads in the sand and maybe when we stick our heads out again, the AIDS problem will be gone and we will be spared".

No, Mr. Speaker, that is not the attitude we should take. It is not Quebecers' attitude and it is certainly not the attitude that the vast majority of Canadians would want to take.

This motion betrays ignorance about the terrifying AIDS problem. Should it be implemented, this backward initiative would take us back to the dark ages and that is why the Bloc Québécois and I vigorously oppose this motion.

(1110)

[English]

**Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.):** Mr. Speaker, thank you for providing me with the opportunity to continue the debate regarding the private member's motion placed before the House by the member for Calgary Northeast. The member is demanding that all applicants for immigration to Canada be tested and screened for HIV, the AIDS virus, that all testing be regulated by the government, and that a positive result of an HIV screening be included as grounds for inadmissibility to Canada.

The member for Calgary Northeast tells us in *Commons Debates* of September 23, 1994 there is no need to debate his motion, that common sense should prevail and dictate the direction the government should take. The only sense revealed by the member may be common to him and his colleagues of the

same ilk, but not common to those with analytical minds that seek the relationships between and among ideas, concepts, facts, events and other dynamic phenomena that assist one in a search for truth.

It is true the Immigration Act requires that visitors and immigrants meet two medically related criteria before being allowed into Canada. The first states that immigrants must not represent a danger to public health or safety. The second states that their admission must not cause excessive demands on Canada's health and social service systems.

To meet these criteria, applicants for immigration are medically examined according to a standard format used worldwide. This medical examination depends on a complete medical history, a complete physical examination, a urine test for applicants five years and older, a chest X-ray for those over 10 years old, and a syphilis blood test for those 15 years and older.

The blood test for syphilis is the only test performed for one specific disease. The X-ray, in turn, may detect a variety of possible ailments such as heart abnormalities, tumours and tuberculosis.

Although there is an attempt to consistently adhere to established procedures, variations in testing will always exist from country to country, from doctor to doctor, depending on expertise and resources available.

It must be noted that immigrants are not routinely tested for HIV. However, during the course of any routine examination the doctor may decide to order further specific tests. At times, if the initial medical assessment indicates symptoms compatible to HIV-AIDS or if the client falls within a high risk group, the doctor may proceed with an HIV test.

In the recent past, several applicants have been refused admission due to the advanced state of their disease. Most of these people were classified as inadmissible to Canada based on the excessive demand criterion and not a declaration that they were risks to public health.

HIV infection and AIDS are not contagious like diseases such as tuberculosis. AIDS and HIV can only be transmitted by specific high risk activities such as injected drug use or unsafe sexual practices, not through casual contact. Therefore, a Canadian resident who is willing to engage in high risk activity with a visitor or immigrant is as likely to engage in a similar activity with another Canadian. The risk of HIV infection comes not from the presence of foreigners but the practice of specific behaviour.

The best defence against the spread of HIV, whether from a Canadian or from a foreigner, is an educated population. It is not a surprise therefore that many organizations such as the Canadian Public Health Association, the Canadian Hemophilia Society, the Canadian Red Cross, the European Parliament, the British Medical Association, to name just a few, all support the view that visitors do not represent a danger to public health.

*Private Members' Business*

In January 1991 a discussion paper prepared by Employment and Immigration Canada as part of its review of medical inadmissibility criteria in the Immigration Act stated:

(1115)

“At the present time Health and Welfare Canada does not consider persons with HIV–AIDS per se as a danger to public health or safety. HIV–AIDS is not considered a dangerous infectious disease, but rather a chronic disease like cancer or heart disease”.

The scientific community has argued that allowing a person with HIV into Canada does not pose a threat to the health and safety of Canadians, a position endorsed by the Government of Canada.

In April 1991 the then minister of health and welfare, Perrin Beatty, announced in Vancouver: “Our expert advisory committee concluded AIDS and HIV are not a threat to public health during short term travel to Canada. I am pleased to announce that we have revised the guidelines for our medical officers. We will ensure that visitors with AIDS or HIV infection will be treated in exactly the same manner as any other visitor to Canada”.

The government’s position was reinforced further by the hon. Minister of Citizenship and Immigration when he stated: “It is the policy of this government that persons with HIV–AIDS do not generally represent a danger to the public. Our main concern is with respect to excessive demands on the health care system”. These statements are contained in a letter addressed to the Canadian AIDS Society dated August 3, 1994.

In dealing with the second health related criterion, that of excessive demand, there will be little concern with those visiting Canada for a short period of time, no concern because they would not qualify for health service and most visitors would be carrying their own health protection plans. The excessive demand criterion would be invoked when there is a reason to believe that the applicant would require medical treatment while in Canada.

In the case of immigrants, it would be inappropriate to institute a blanket exclusion of persons with HIV. The Canadian Human Rights Commission states that comprehensive individual assessments must be the main tool for determining eligibility, and lumping individuals into groups or broad categories is discriminatory.

In assessing whether an immigrant with HIV would place excessive demand on Canada’s health care and social services system many factors need to be taken into consideration. These

include whether the person is ill, and the person’s potential contributions to Canadian society.

We know that some people have been infected with HIV for at least 12 years and still do not show signs of illness. We do not know whether everyone with HIV will go on to develop AIDS. How can we refuse to allow a person to immigrate on the grounds that he or she might become ill? Even those who have some signs of illness can still make a significant contribution to Canadian society.

Current Canadian immigration policy focuses too much on a person’s disability and fails to take into account his or her ability to contribute to society. Each case must be judged on its merits.

The hon. Minister of Citizenship and Immigration states: “It is the policy of this government that persons living with HIV–AIDS not be singled out for immigration purposes. I would like to assure you that I and the officials of citizenship and immigration will do our utmost to ensure that persons living with HIV–AIDS are treated with the same respect and concern for rights as any other visitor to Canada”.

The current Immigration Act requires that persons seeking admission to Canada as visitors or as immigrants be subject to standards of admission that do not discriminate in a manner which would be prohibited by the Canadian Charter of Rights and Freedoms. Section 15 of the charter dictates: “Every individual is equal before and under the law without discrimination and in particular without discrimination based on physical disability”.

Canada has traditionally taken a leadership role in recognizing human rights and extending a helping hand to those in need. I am sure the member for Calgary Northeast would be proud and so would his party members in seeing Canada continuing with these honourable, worldly aspirations.

(1120)

**Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.):** Mr. Speaker, before I begin my speech let me say that I am absolutely and thoroughly appalled at the statements that have been made in this House on this motion. It reflects an absolute and profound lack of understanding of the disease and more important, a lack of understanding and consideration for the health and welfare of Canadian citizens.

This is obviously a politically protected disease. We feel sorry for anybody who is HIV positive and has AIDS. But let it be known that we cannot compromise the health and welfare of Canadians.

In any event, I rise today in support of my esteemed colleague’s Motion No. 285 to screen all immigrants for HIV under sections 11(1) and 11(3) of our Immigration Act.

*Private Members' Business*

It is not pleasurable to speak about this topic, a modern plague that up to 1993 has claimed 9,910 adult cases including 107 pediatric cases. Of these, 6,930 people have been killed. It is a disease that is as horrific as any fatal illness, particularly so since the individuals who have it are in the prime of their lives. They usually succumb between the ages of 25 and 45, a period that is most productive, with a major part of their lives still remaining.

I have had numerous patients in the past with this terrible disease. I can say from a personal factor that it has been a sobering and profoundly tragic experience to deal with these individuals, particularly in my age group when these individuals are dying before me.

You cannot cure them. All you can give to them is palliative treatment and treat their intercurrent illnesses. To see them waste away is a horrible thing. I encourage those here who have contact with anybody who has AIDS to get to know them and understand the profound pain, agony and anguish they and their families endure.

Equally tragic is to deal with the survivors who are left behind, the family and friends who have to pick up the pieces after their loved ones die. No kind words or understanding can ever fill the void that is left behind from the death of a loved one. It is impossible to fathom or quantify this loss in any terms whatsoever.

My friend has brought this motion forward, not because we are against people who are HIV positive and not because we are against people who have AIDS, the physical manifestations of having the virus. He brought it forward because we are public servants and we are compelled and obligated as elected representatives of this country to protect its people and to enact legislation along these lines. We do this especially for diseases or events that are going to be of great harm to them.

There is no question that HIV positively leads to AIDS and AIDS kills. If any member does not believe this, if a doctor said you were HIV positive, look into your hearts and see what you would feel. Therefore we do this in the name of public safety for all Canadians.

I should mention that we already protect the health and welfare of Canadians in a number of forms. We test drugs and therapeutic modalities in health to ensure they are safe. There is the checking of blood products which has caused so much consternation of late. There is the checking of products that are sold over the counter to ensure they are safe for public use and the checking of food stocks, both local and imported. Immigrants to this country are checked for a number of illnesses, including tuberculosis and syphilis, diseases that are generally not fatal, diseases that are cheap to treat and are curable, unlike AIDS.

Why is there such a vocal opposition to my friend's motion? The disease is pandemic, which means it covers the entire planet. It is universally fatal. It is incurable and it costs money.

It costs a lot of money. Every patient who is deemed HIV positive will ultimately cost the taxpayer at least \$100,000 per year. This does not take into consideration the very important factor of potential years of life lost for these people.

(1125)

Between 1987 and 1991 the potential years of life lost for men rose from 17,650 years to almost 40,000 years. Why is there such a backlash against something that we believe is so fundamentally necessary for the protection of Canadians? Why is there so much opposition to this?

The reason is that it is not an opposition by the majority of Canadians. At least 77 per cent of people in recent polls are strongly in favour of immigrants being tested for HIV positive. The reason for this vocal opposition is that it comes from very small groups, small in number but loud in voice. These groups do not represent the majority of people in this country and are admittedly there for their own interests. They believe that people coming to this country if tested positive for HIV, would have a stigma attached to them, that they would be discriminated against.

Fortunately for the Canadian public and perhaps tragically for them, they would not be allowed into this country. This is not something personal. This is something we are going to enact for the betterment and the health and welfare of Canadian people. The individuals who are HIV positive or who subsequently develop AIDS deserve our sympathy and compassion, but it does not mean we have to subject Canadian people to exposure to this illness which is fatal 100 per cent of the time.

We can argue this on purely moral grounds, but another compelling reason is the cost. Unlike what my colleague mentioned earlier in the day that she does not believe it would cost more to the Canadian taxpayer, any health professional in this country would tell you that it is expensive to treat somebody who is HIV positive.

They do have a series of blood tests that are used to monitor a subsection of their lymphocyte count and we give them medications to prevent intercurrent illnesses. Due to better drugs and better treatment modalities and prophylactic treatments we can use this material to lengthen people's lives. This actually increases the cost to our health system, one that I would say is falling apart at the seams, one that does not have any money. These costs are not inconsequential. As my esteemed colleague across the way mentioned, we are going to have 30,000 more people with AIDS. How much is this going to cost the Canadian taxpayer? Three billion dollars.

Our health care system right now is falling apart. Waiting lists are increasing. Hospital beds are closing. People are dying on waiting lists. From her own province alone she has tens of thousands of people on waiting lists, hundreds of whom are waiting for urgent surgery. If more people are let in to add to the overall cost burden to our health system, those Canadian citizens will not get the treatment they deserve.

Is this threat from HIV real or is it imagined? Let us look at some areas of the world. As I said before, it is a pandemic. In certain areas of Africa where I have worked the HIV positivity rate is 30 per cent or more. In south east Asia there has been an explosion of HIV positivity. What a tragedy for those countries, but does it mean that we need to bring this tragedy to our door, bring it to this country and expose Canadian citizens to it?

The World Health Organization says that AIDS is a pandemic and that it will continue well into the 21st century. I quote the WHO's AIDS program director: "There is far worse to come as millions of infected people will fall ill and die".

There is no breakthrough and I do not think one is imminent. If the HIV epidemic continues to expand at this rate on the Asian continent, we will soon see more Asians infected with HIV than in Africa where there is an explosion of HIV positivity. If this is not a problem, if this disease is not infectious, if this disease does not kill, then why is the WHO so concerned about it?

(1130)

In conclusion, this is not a diatribe against people who have HIV. This is not a diatribe against people who have AIDS, drug abusers, homosexuals, hemophiliacs or any other unfortunate person who has been infected with the disease. These people deserve the deepest sympathy and compassion which everybody from my side of the floor extends to them. As I said before, a far more important concern for us is to ensure the health, welfare and safety of Canadians.

That is the reason for the motion of my friend. Anyone who does not support it is sticking his or her head in the sand and severely compromising the health and welfare of Canadians.

**Mr. Gar Knutson (Elgin—Norfolk, Lib.):** Mr. Speaker, let me respond to a few of the comments of the hon. member from the other side.

First he attacked our motives. He said that we were merely being pulled along by some minority group. The government has announced that it is reviewing its policy on testing for HIV so I think the member who has introduced the motion should take some comfort in it.

The reason we are opposing the private member's motion today is that we want to give the government time to review the bill and make a decision. Once the government makes its decision perhaps we can have a more focused and more productive debate.

I acknowledge as much as anyone that HIV leads to AIDS and AIDS is deadly. Out of my high school graduating class of 55 people, 3 are dead from AIDS. One of them happened to be a very close friend. I do not think that anyone from that side of the House or this side of the House has the right to say that we

### *Private Members' Business*

obviously do not care, that we are sticking our heads in the sand, or to make any other personal comment.

Canadians recognize that AIDS is deadly and that it kills, but too often the debate gets mixed into other issues. Too often it gets thrown into an intolerance toward certain communities in our country. Too often it gets mixed into homophobic groups, groups that say that AIDS is a plague on the homosexual community because God is bringing down his wrath. It is that kind of thing we want to avoid. We want to have a reasonable, high quality debate based on the facts.

An uninformed decision by the House would accomplish very little. As I have said, the government is currently reviewing the extensive information we have on HIV and will be announcing its decision soon. Our decisions will appropriately reflect concerns for public health demand on the health care system, social justice and economic matters that concern us today.

We must not aggravate public misunderstanding about HIV. Too many people think one can get HIV and AIDS through casual contact. Too many people think one gets it by shaking hands when in fact one can only get it through the transmission of certain body fluids, more specifically blood and semen.

We must take care to dispassionately analyse and reflect on the issues that are too often fraught with prejudice and discrimination. It is also incorrect to say that AIDS can be transmitted by simple contact. Too many people think we should not even allow visitors into the country who have AIDS. Last year for example, there was a forum on AIDS in Vancouver and certain members of the House said that we should not let these people in because they were a risk to Canadians.

In short, we must avoid being stampeded into adopting a policy based more on fear than on fact, fear that is often based on misunderstanding, misinformation and ignorance. Public misunderstanding could direct a misunderstanding toward immigrants even though immigrants are no more likely to test HIV positive than native born residents.

My friends from the other side have indicated there are certain places in the world that have an epidemic of AIDS. Certainly it is clear given the current policy that even in those places we would test for HIV and AIDS.

**Mr. Hanger:** But you are not.

**Mr. Mills (Red Deer):** You are not.

**Mr. Knutson:** We are. Check the facts. It would merely foster the kind of misunderstanding and fear about HIV that we should be working to overcome.

The government recognizes Canadians' concerns about HIV and HIV testing for immigrants. We are addressing these concerns in the most constructive way possible, by conducting a thorough review of all medical testing with the benefit of the best expert advice and of consultations. When the review is complete the government will take whatever action is necessary to protect the health and safety of Canadians and to preserve the integrity of our health and social services.

*Private Members' Business*

(1135)

HIV testing takes place now under certain circumstances. Under current guidelines immigrant applicants found to be HIV positive may be deemed to be medically inadmissible. Those grounds for refusing admission are based on the consequences, the impact admitting a particular person would have on Canada, whatever the person's specific medical condition.

Medical opinion does agree on the fact that a person with HIV does not represent a threat to public health or safety merely because of the infection. In other words the persons must involve themselves in a high risk activity, which normally means unsafe sex.

Refusing admission to applicants with HIV would have to be based on any excessive demand they might place on our health care system or social services. The act and regulations do not require medical officers to test for HIV. They are authorized however, to do so if they have reason to suspect an infection. As it stands now testing for HIV does take place when there is reason to do so. We must ask the question: Are the current guidelines working to protect the Canadian health care system from excessive demands?

In conclusion let me say that the government is reviewing the matter. Let us wait for the government's decision and then we can have a more focused and more productive debate.

**Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.):** Mr. Speaker, I speak in support of the motion to regulate testing of all applicants for immigration for HIV-AIDS.

Today I would like to talk about a potentially massive health care problem which could be easily averted if we as parliamentarians take action. The problem is the entrance into Canada of HIV or AIDS infected immigrants. We are talking about immigrants, not visitors.

AIDS is a relatively new phenomenon in comparison with other diseases. The term has only entered the vocabulary of most Canadians over the past decade. Public awareness of the disease is still far less than it should be. Consequently there has often been a lag in the response of governments and institutions in dealing with the problem. We are aware that AIDS is only communicated in certain instances, not by casual contact. This is a situation which we must rectify today.

What is proposed is mandatory HIV-AIDS testing for all new immigrants to Canada. There is a great deal of logic and

common sense to the proposal. I believe the action would be supported by a substantial majority of the Canadian public.

The facts are simple. The treatment of patients infected with the HIV virus and AIDS is an enormously expensive undertaking. Despite the millions of dollars spent on research, at this time there appears to be very little hope for a cure or even an effective vaccine. Those who study AIDS continue to advocate prevention as the best line of defence.

The motion could play a key role in reducing the number of Canadians who would otherwise be infected by the disease. HIV and AIDS infection is spreading rapidly across the world. These are the current numbers: by mid-1994 approximately 986,000 cases of AIDS have been reported. However, as the World Health Organization has noted, several factors suggest this is only a small part of a larger total. Many countries were slow to admit they have an AIDS problem and to move to set up systematic surveillance and reporting.

In areas where expertise and blood testing facilities are lacking it may be difficult to differentiate AIDS from other common diseases. In remote parts of the developing world many people fall ill and die without ever coming into contact with modern health services. Given these factors the World Health Organization believes the number of people to be infected with AIDS is much higher. The WHO estimates that by early 1994 more than three million cases of AIDS have actually occurred, including over 500,000 infants born to HIV infected women.

Some may argue that three million cases in a world population of over five billion does not represent a major health crisis, but the number of AIDS cases is actually a small part of a much larger problem. AIDS is the late stage of infection by a virus that can take more than a decade to cause illness.

(1140)

The real measure of the scope of the epidemic is the number of people infected with HIV. The World Health Organization estimates there are more than 15 million people worldwide, including more than a million children infected with the virus. By the year 2000 if conservative forecasts prove correct, the cumulative total of HIV infections may reach 30 million to 40 million and the number of AIDS cases, more than 10 million.

A World Health Organization publication entitled "AIDS, Images of the Epidemic" notes the need for proper surveillance for better understanding of the disease. It notes that the most convenient approach to surveillance is to locate it in the health care system and test people who come in for care.

I believe the motion being put forward today is very much in the spirit of that recommendation. Canada already has in place the means to impose HIV-AIDS testing on immigrant applicants. These powers are contained in subsection 19(1) of the Immigration Act.

*Private Members' Business*

Canada has a long history of facing the challenge of infectious and lethal diseases brought to our country by immigrants and newcomers. For example, the forced quarantine of European immigrants for cholera and typhoid on the Quebec island of Grosse-Île is well documented. The island is now considered to be part of Canadian history and was recently visited by Irish President Mary Robinson because of its significance. Although Grosse-Île was at times a place of death and great suffering, it served the purpose of protecting the Canadian population as a whole from infection by these terrible diseases. It was the guiding principle then and it must remain the guiding principle for our immigration officials today.

Members of Parliament are accountable to the people they were elected to serve. Too often as members we hear stories of how the system failed. Sometimes it is a case of a criminal being paroled to offend a second time. Other times it is a case of a deportation order not being followed through and a policeman being murdered as a result.

If we do not follow through on the motion being discussed today, I believe one day the government will have to account to victims and friends and families of victims who contracted the disease through government inaction.

Why must we allow this to happen? Why is it that so often the government and governments like it must wait to be confronted by the victims before they make changes to policies? It is not unduly cruel to deny HIV and AIDS sufferers entrance to the country if it will prevent even one Canadian from contracting the disease. Persons infected with HIV and AIDS clearly, in the words of the Immigration Act, are or are likely to be a danger to public health or public safety. Something must be done.

Protection of the public is not the only criterion for denying individuals infected with AIDS or HIV the right to immigrate to Canada. The second part of the act takes into consideration another important component of any discussion of health care and that issue is cost. The act recognizes it should not be a priority of government to admit to the country those who will be a burden on the Canadian health care system.

Clearly immigrants infected with HIV or AIDS would be a source of excessive demand on the Canadian health care system. The disease is as expensive to treat as it is inexpensive to prevent. Recent figures from the United States show the average cost of treating a person with AIDS was \$32,000 a year and the annual cost of treating a person with HIV but not AIDS was estimated at \$5,150 a year. In 1991 the cost of HIV and AIDS care in the United States was estimated at \$5.8 billion, including \$4.4 billion for people with AIDS and \$1.4 billion for HIV infected persons without AIDS.

In Canada some figures have shown the cost per year for persons infected with AIDS is \$33,900. Our health care system

is already overburdened and many Canadians have been forced on to waiting lists because of funding cutbacks. I call on the government not to aggravate the problem further by allowing immigrants with a terminal contagious disease into the country.

There are other factors to consider. Canada's taxpayer funded health care system is available to all citizens who want to use it. This is not the case for most other countries. It is conceivable that individuals knowingly infected with this virus could come to Canada because we have a publicly funded and accessible health care system. Our system may even be desirable to U.S. residents suffering from the disease, millions of whom have no health care insurance.

I would also like to note at this point that the United States already tests applicants for legal immigration to that country for AIDS and HIV.

In conclusion, a battery of blood tests is already part of the standard medical examination that is mandatory for all immigrants. Adding HIV will not substantially increase the cost of examinations, most of which are user pay. The cost of an HIV-AIDS test is \$12, approximately one-third the cost of a test for tuberculosis. There is no good reason not to test for and exclude immigrant applicants with HIV since those with other untreatable or serious communicable diseases are already subject to exclusion.

(1145)

[*Translation*]

**Mrs. Eleni Bakopanos (Saint-Denis, Lib.):** Mr. Speaker, at the risk of disappointing my hon. colleague, I would like to point out that he is not the first one to deal with the issue which he is bringing to our attention today.

[*English*]

The government has already begun a review of the issue of inadmissibility on medical grounds. Indeed, the review was long overdue. The last time immigration legislation concerning medical inadmissibility was reviewed was in 1978. It obviously needs to be updated. There we agree.

The scope of the review goes well beyond the question of HIV testing of potential immigrants.

[*Translation*]

Although it is an important part of the problem, it is only one aspect among others. Indeed, the situation is much more complex than it seems. We are now reviewing the whole issue of inadmissibility for medical reasons. The provinces and interested non-governmental organizations have already been consulted about some recommendations arising from this review.



*Private Members' Business*

You must understand that routine examinations go back way before AIDS appeared. The nature of the tests has evolved as technology progressed, so it is necessary to say what specific examinations prospective immigrants should now undergo.

In particular, the effectiveness of routine examinations to discover diseases that threaten Canadians' health or to identify people whose health would impose an excessive burden on our social or health systems is being reviewed.

[English]

It is important to point out that medical experts all say that AIDS does not threaten the health of Canadians because it is not an illness that can be transmitted by casual contact and because it can be prevented. As things stand now, if there are clinical signs during medical examination to suggest that a person may be infected by HIV or even has AIDS, that person is obliged to undergo a screening test.

[Translation]

If they refuse, they cannot be admitted to Canada because they did not take the required medical examinations. In this case, the screening test is intended to determine whether treating the disease at its present stage would be an excessive burden for our social or health services. That is why someone with this disease may be refused admission to Canada; it is not because of the nature of the disease.

[English]

One might ask why these people should be treated any differently from those who are afflicted with some other chronic illness, for example those who suffer from kidney failure or cancer. These illnesses too can impose demands on our health care system.

Research on the progression and treatment of AIDS is ongoing. People diagnosed as sero-positive can now expect to live much longer than they could even 10 years ago. Even if they test HIV positive many can continue contributing to Canadian society for many years.

[Translation]

Furthermore, we must also reconcile our economic and social interests with our humanitarian commitments. Of course we must continue to be vigilant, but we must also see that we maintain Canada's traditions of fairness and compassion. In its red book, our government committed itself to continuing to apply a dynamic immigration policy that reconciles humanitarian considerations with our demographic and economic needs.

Requiring prospective immigrants to take an HIV screening test may seem a simple matter at first glance, but that is far from the case.

(1150)

We cannot and must not consider it apart from the other problems it raises. This issue must be approached in a much wider context, in which we take account of developments in the medical tests used, the concept of excessive burden for Canada's social and health systems, the nature of the treatment for this disease, the contribution of sero-positive people to our society and Canada's long humanitarian tradition. My hon. colleague will admit that these are important considerations which we cannot ignore.

[English]

My colleagues and I on this side of the House appreciate the concerns hon. members have expressed about not imposing an excessive burden on our country's social and health services. We must take care to dispassionately analyse and reflect on issues that are too often fraught with prejudice and discrimination—I repeat what my hon. colleague on this side of the House said—and avoid being stampeded into adopting a policy that is based more on fear than on fact and more on economic considerations rather than humanitarian concerns, which is not the Canadian way.

We care about humanity. We have to be cautious when we adopt certain policies and laws that this aspect is also taken into consideration. Our laws and institutions must reflect the progress we have made in terms of our attitudes toward diseases in general. It is the government's responsibility to show leadership. We have done that by undertaking a review of the issue of inadmissibility on medical grounds.

I hope the hon. member will reconsider his motion.

**Mr. Randy White (Fraser Valley West, Ref.):** Mr. Speaker, I have a few things to say after listening to the debate. I am really curious as to what is the hang-up on the other side of the House with regard to AIDS testing.

I heard that AIDS testing is undertaken. It is not undertaken on a consistent basis at all.

I heard that we should be a humanitarian country. I presume that means allowing immigrants to come into our country that are HIV infected. I totally disagree with that philosophy and I am sure most Canadians do as well.

We have to get down to the meat of the issue. The fact is that AIDS is a serious situation throughout the world. Why introduce more of that serious situation into Canada when we can prevent it to some extent by testing for AIDS prior to immigrants coming into the country? That seems so logical, so simple, it is actually missing the minds of the Liberals. Sometimes that happens. Logical, simple, practical things do tend to miss their support.

*Private Members' Business*

I want to support very much my colleague's motion to have all immigrants tested for the HIV virus. The reasons for this need are clear. They are not related to phobias. They are not related to prejudice. They are related to a more important fact and that is the innocent individual who contracts such a virus by knowingly allowing that virus to come into the country.

The hard facts are that we live in a world where we are faced with harsh realities, of which HIV infection and AIDS are two of the major ones. We especially need to address the question on how seriously is the government treating the AIDS question in light of the serious nature of the disease and the great economic factors associated with it.

We are told we should not support this private member's motion because the government is going to assess this once again. It is going to research. It is going to document. It is going to think about it. We are getting so sick and tired of hearing that kind of thing from the Liberal government. What we want is action. This private member's motion will go a long way in doing something positive for this situation.

(1155)

It just escapes me how the government can take a problem and defer it to the future by saying: "We will look at it". Never in the history of governance in the country have I heard that so much as in the last year and few months. It is shameful really. This is not a time for being passive but for firm action. It is a call for action that has been shouted from many different sectors within our society.

It is especially necessary that we look into this matter from the perspective of those who are dealing with the spread and consequences of the disease on a daily basis, not from the perspective of those who come to Ottawa from other parts of the country and debate and debate and debate. Let us get down to where the action really is, where the people are being infected by this virus.

Dr. Don Sutherland in his letter of introduction to recipients of the "Quarterly Surveillance Update: AIDS in Canada" dated May 2, 1994 states that the statistics continue to emphasize the point that the AIDS epidemic continues to increase except in those persons infected through blood and blood products where the trend is declining. By the end of 1993 it is estimated that 14,000 persons had developed aids in Canada since the onset of the epidemic.

Dr. Sutherland uses the term epidemic which according to the dictionary means "the rapid spreading of a disease". The present Liberal government appears to treat the epidemic as a mere inconvenience which can be overlooked in the area of immigration. That is really what is happening here.

This is such a serious issue but so many things get cloaked in this country under immigration. The Reform Party must be

anti-immigration because it is concerned about convicts coming into the country. It is concerned about testing for AIDS.

In my riding just a short time ago a young lady was raped by an illegal refugee. She spent six months waiting for the results of an HIV test while this individual basically ignored the whole situation. Had we originally tested that particular individual on coming into the country, she would not have had to go through that six months of torture, unfortunate as it was.

One does not have to look far to see just how serious an epidemic in AIDS and HIV infection are considered by Canadians. In an article from the November 10, 1993 *Globe and Mail*, we read about how the disease has taken over the lives of over 1,000 people a year in Canada. Can members imagine? That is 1,000 people a year in 1994 when five years ago this was really hardly even noticed.

Epidemiologists expect an even greater number succumbed to AIDS in 1993. Dr. Martin Schechter, an epidemiologist at UBC in my home province is still concerned about the current spread of the disease. He says: "The signals we are getting are troubling. I think HIV is relentlessly spreading".

With all these kinds of comments coming from the experts in the field of HIV, I am perplexed why the government would not say: "Yes, we know it is a serious problem. Yes, we can stop a part of the spread of that problem right now by adopting a private member's motion that sits before the House".

Because a private members' motion on HIV testing of immigrants is put to the House by the Reform Party is no real reason to get into political rhetoric, to turn it down. What has to be looked at here is how important is that private member's motion to society in general. Forget the Liberal Party rhetoric.

Dr. Martin Schechter estimated that between 35,000 and 40,000 Canadians have been infected by the AIDS virus since the disease was first diagnosed. Even more sobering is the September 11, 1993 article from the *Vancouver Sun*.

(1200)

Here is an excerpt from the article: "AIDS robs Vancouver men under the age of 75 of more years of potential life than do cancer, heart disease and accidents, according to a team of Vancouver researchers. In 1992 alone AIDS cost Vancouver men about 6,000 years of life, 50 per cent more than each of the other three major causes of death". Even more disturbing were the chilling comments by demographer Robert Hogg who said in his team's findings: "If I had told somebody last year, nobody would have believed me".

In the minute I have left I want to appeal to this Liberal government to get away from the rhetoric, get away from the partisan politics, get away from the study. We will look at this a little later. Get into the meat of my colleague's private member's

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motion. That is what we are here for, the protection of the lives and the property of Canadian citizens.

If there are immigrants coming into this country with the HIV virus, then this government has an obligation to test them. It has an obligation to the citizens of this country. I urge members to get away from this rhetoric and partisan politics and support my colleague's bill.

**The Acting Speaker (Mr. Kilger):** The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

\* \* \*

**WAYS AND MEANS**

## WORLD TRADE ORGANIZATION

**Hon. Alfonso Gagliano (for the Secretary of State for International Financial Institutions)** moved that a way and means motion relating to the implementation of the agreement establishing the World Trade Organization, laid upon the table on Thursday, October 20, 1994, be concurred in.

(Motion agreed to.)

**GOVERNMENT ORDERS**

[English]

**SOCIAL SECURITY PROGRAMS**

The House resumed from October 7 consideration of the motion.

**Mr. George Proud (Hillsborough, Lib.):** Mr. Speaker, it is a pleasure for me to participate in this important debate today.

I can honestly say that during my time in this House and in other Houses in other jurisdictions social reform policy is one of the most important issues I have debated. We have known for a long time that this situation was coming to a head. It is now time, as is often said, to cross the proverbial bridge. I speak for myself and for others in saying how pleased we are that we have a person of the calibre and the social conscience of the minister heading up the question of social security reform in this country.

Canadians are aware now and have been for some time that our social security system must be changed. We have come through a difficult economic period over the past number of years, fueled by recession and high rates of unemployment. High unemployment has caused a tremendous strain on Canada and has presented new and difficult challenges. As I said earlier, we are fortunate to have a person in place who is strong enough in his convictions to address these challenges.

We have reached this point only after having consulted Canadians. As we know last year the Standing Committee on Human Resources Development held hearings across the coun-

try to seek the opinions of those who would be affected by changes in the social safety net. They were told that there are disincentives built into the present system and that those who need help the most simply are not getting the assistance they require.

All Canadians know at this time that change is inevitable. The difference with the change that this government will bring about is the heart and the compassion that will be shown for the average citizen of Canada. The weakest and those least able to defend themselves will be protected by any change initiated by this government. The deficit will not be fought on the backs of the poor.

(1205)

We have heard a lot over the last few years about the global village and the new world economy and how we must be trained to face a changing economic situation around the world. That is why this is not a hack, slash and burn economic recommendation but rather a constructive reform which will help Canadians get back to work.

It is an accepted fact that training and education are the keys to economic development. We must see that Canadians are trained in the most efficient and most effective manner. The money that is to be spent on education must be directed toward those people who need it the most. The people who come out the other end of the system as graduates must be trained second to none because they are competing with people from around the world and must be prepared to do that.

In the last three years as statistics show, 17 per cent more jobs were available for university students but there were 19 per cent fewer jobs for those who did not complete high school. That says it all: education equals opportunity. We must educate more people and we must provide better access to education and training throughout their lives.

We in the part of the country that I come from believe that if we have trained people we are better able to attract enterprises to our area of the country because these companies by and large are looking for a stable, well trained workforce.

At the present time the federal government is providing more than \$8 billion a year to post-secondary education across Canada. The time has come to sit down and ask ourselves if we are doing this in the most appropriate manner. Under the current arrangement if the status quo were continued the cash portion of the federal contribution to education would decrease proportionately and could disappear within 10 years. Therefore we must find ways to help more people finance their higher education so that they will be prepared to compete on a worldwide basis.

We believe that investment in learning makes good economic sense but we must deliver the training to our people in the most efficient and effective manner possible. We must therefore ensure that access is available to all young people regardless of their economic situation.

*Government Orders*

As I am sure others in this House did last year during the election campaign, I visited learning institutions in my riding. Students in my riding indicated they were not satisfied with the arrangements that are there now for student loans. They want changes made to the system. Proposals are out now. I say to those students in my riding and others: Tell us what you think of them, come forward with different and better ideas and we will certainly look at them.

The other item in the minister's statement that has caught the most attention especially in the part of the country I come from is with respect to the unemployment insurance program. It is a chilling fact to think that 13 per cent of people have been out of work for a year or more. That is three times the level of long term unemployment that this country suffered in 1976. Forty per cent of claimants have claimed for unemployment benefits at least three times in the last five years. This indicates that we do have a problem.

Coming from a region that has a high rate of unemployment I can assure my fellow members of Parliament that those who are on the unemployment treadmill are not there by choice. They are there because of the economy and because the level of training does not permit them to have jobs year round. We must continue to look at these people who form our greatest asset in the diverse regions of this country. We must provide them with the basic skills necessary to be employable year round.

I believe there is some responsibility for government through economic or trade policies to see that the opportunities are afforded to Canadians wherever they live.

I am glad to say that the minister has appointed a working group to study the effects of unemployment insurance in areas of the country where seasonal work is the dominant work. In the province I come from 50 per cent of the workforce has seasonal jobs. This is part of our history. This is the way tourism, agriculture and the fishery industry work, on a seasonal basis.

(1210)

The discussion paper released by the Minister of Human Resources Development asked Canadians how we can address these problems in a spirit of co-operation and compassion. This government is not interested in fighting the deficit on the backs of the poor and the unemployed. Nor is it interested in the system collapsing, serving no one.

As I mentioned earlier, this is a time of great challenge. It is a time that challenges government. It challenges members of Parliament and it challenges the people of the country. We are not arrogant enough to believe we are the only ones who can meet these challenges. Canadians know what is in their best

interests. Between now and January the human resources committee and individual members of Parliament will be talking to Canadians, seeking their advice.

The discussion paper is a road map from St. John's to Vancouver. Through our consultations Canadians will tell us how to get from where we are to where we want to be. This exercise is about finding better ways of doing things. What worked fine in the sixties and seventies is no longer working properly. In fiscal times such as these it is possible to do better with less. By working with all Canadians this government will deliver what it promised during the election: a vibrant, prosperous economy and a country where the needs for social programs will decline.

**The Acting Speaker (Mr. Kilger):** Questions or comments? Debate. Before the hon. member for Malpeque begins I want to be assured that the time is being split with 10 minutes of speech and 5 minutes questions or comments.

**Mr. Wayne Easter (Malpeque, Lib.):** Mr. Speaker, I welcome the opportunity to speak on social security reform in the early stages of this debate.

The document prepared by the Minister of Human Resources Development will lead to future policy and legislation. I believe this issue is one of the most important decisions this government will make in its term in office. I must emphasize that social security reform cannot be looked upon in isolation of other programs and other activities like economic development and tax reform. What will happen in those areas directly relates to the issues of social policy reform.

As an example of what should not happen I would like to turn for a moment to look at what happened in the United States during President Reagan's term. It is dealt with extensively in a book by John Kenneth Galbraith, *A Journey Through Economic Time*. I encourage members to get that book and read it. There are a lot good comments in it in terms of what not to do in people's interests in the economy. I quote from Mr. Galbraith in his book:

For aid to the rich—the large reductions in marginal tax rates in 1981—the Reagan cover was a declared need to stimulate more energy, initiative and investment. Effort by the already well endowed was being inhibited because of the high marginal rates.

He goes on to explain how great tax advantages were given to the rich by the Reagan administration. On the other hand, for those less well off financially he says:

Similar and perhaps more successful was the position as regards help to the poor. Here income, indeed assistance in almost any form, was held to be damaging to character, initiative and effort and thus to the well-being of the impoverished. As the rich needed the incentive of more money, so the poor needed the incentive of less.

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This was according to President Reagan's principles of economic development. That is something we want to avoid and which I am sure this government wants to avoid in our discussions leading up to social security reform and to economic reform in this country.

(1215)

This issue will be of fundamental importance to us in Prince Edward Island and our ability on Prince Edward Island and in my riding of Malpeque to produce and prosper. I cannot emphasize enough the need for people to become informed, to understand the options and to become involved in offering alternatives. I encourage people to get the discussion document put out by the minister's office and to look at the facts, not some of the criticism or some of the assumptions they may see in the media.

This proposal on social security reform will affect my province of Prince Edward Island, either positively or negatively, probably more than any other province given the structure of our economy. It is my hope that everyone thinks through the implications on an individual basis, on a labour basis, on an employer basis, how it affects students and how it affects the economy as a whole.

With the foregoing in mind, I held a public meeting in my riding to try and lay out those facts in as straightforward a way as I could. I will give the results of that meeting in a moment. I did that because I felt that communities and interest groups must prepare themselves for the standing committee that is to follow and hear their points of view in a concrete, constructive way.

As I said at the beginning of that meeting, I want to be very clear. Changes are going to be made. For us to argue to maintain the status quo or the system exactly as it is is not even in the cards. It is not a winnable argument. We have to understand that. In understanding that we have to be a part of the process; we have to become involved as communities and as people within communities in a very constructive way.

I want to relate some of the points I raised at the public meeting. Some of them are critical of our position. We accept that criticism because out of constructive criticism will come good debate and at the end of the day will come better solutions.

I encouraged public participation in the meeting. It was very high and quite vocal. My constituents realize that changes are needed. However, they feel that at the moment the changes are directed solely at one group of people, the less wealthy in society. Let me expand on what my constituents told me at that meeting.

First, the government continues to say that too much is spent on social programs and cuts are needed, yet no one wants to admit that we in Canada do not have a fair taxation system. It is the middle class that pays 58 per cent of all taxes, while businesses and corporations pay less than 15 per cent.

Second, they said there exist massive tax loopholes that allow corporations and wealthy individuals of Canada to escape paying their fair share. At least that is the perception. These loopholes are subsidies and tax expenditures, thus costing the government a loss of revenues.

Third, they indicated that the government is looking at social reform in a one dimensional manner. Before programs are cut the government must take action in reforming taxation. The deficit cannot be put solely on the backs of the middle class and the less wealthy. From my constituents' point of view that relates to the overall thrust of social security reform.

I do not accept that criticism in its entirety. We are intending as a government to look at tax reform and other areas as well and we must as we go down this road.

There was a considerable amount of discussion on education. A lot of concern was raised by students in terms of when they are finished university if the new approach is taken what kind of debt loads will they face. On that point we have a lot more work to do in the area of education.

(1220)

On UI, people at the meeting said they believe the changes to UI will have the greatest negative impact. The impact will be greater in Prince Edward Island and the maritimes as a whole than in other areas of the country because of our seasonal industries.

The two leading industries in P.E.I. are agriculture and tourism. These two industries rely heavily on seasonal workers. Without the availability of seasonal help the employers within these industries will be lost in terms of operating their businesses. Seasonal workers play a tremendous part in allowing whole industries to be profitable. As my colleague from Hillsborough said a minute ago, we are pleased the Minister of Human Resources Development has now appointed a special committee to look at seasonal industries in light of the impending changes relative to UI.

If these changes are taken without careful consideration all that is simply going to occur is fewer people on UI and more on welfare, once again transferring the deficit on to the backs of poorer provinces. We cannot allow that to happen under these changes.

In the social security reform paper job training and retraining are talked about extensively. My constituents feel that skills retraining is a necessity however, it is only worthwhile if jobs exist in the sector they are being trained in. For example, there is little use training an out of place worker skilled in electronics if there exists a surplus of electricians. Before job training occurs we need to know in what areas there are going to be jobs. I want to re-emphasize the need to work in economic areas to try and ensure that the jobs will be there once people are trained.

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Some of my constituents believe that the reform paper is really a plan to cut the deficit, a plan that puts our deficit on the backs of those who can least afford it. We cannot lose sight that Canada is a country which is built on the ideals of having a social program for all its citizens, for all to have a level playing field to succeed. I certainly countered that argument because the position of the discussion paper and other measures we are taking is to recognize that changes need to be made and they must be done in a very constructive way to see that ordinary people's needs are met.

I had an interesting experience the weekend before last when I was the only MP who attended a meeting of the Council of Canadians. At that meeting all MPs who sit in this House, particularly those on my side of the House, were under attack because of the social security reform. I stood at that meeting and asked those people how many of them had talked to us as MPs and very few raised their hands. That is what this debate is all about. It does no good for those groups out there that are attacking our discussion paper to talk to themselves. They have to get out to these hearings and put forward alternate proposals in a very constructive way. In that way we will listen.

In closing I want to quote from the Prime Minister's speech in Fredericton in which he indicated where we are really going on this issue: "We need a national debate on our options. We are looking for good ideas from the provinces, the private sector, the trade union movement and individual Canadians. When new legislation is introduced next year it will reflect what we have learned during that consultation process".

What is important is this consultation, this debate, so that at the end of the day we come up with a better social safety net than we currently have.

(1225)

*[Translation]*

**Mr. Osvaldo Nunez (Bourassa, BQ):** Mr. Speaker, I listened with great interest to the comments made by the hon. member for Malpeque who was referring to critics he heard in his riding. Indeed, Prince Edward Island will be very affected by this social security reform, as it has already been by UI cuts. In fact, the same situation occurred in Quebec, and more particularly in my riding.

I am pleased that the hon. member is trying to find other ways to finance social security in Canada, particularly from a taxation point of view. I suggest he take a look at tax havens, which should be eliminated. As well, family trusts must be controlled. This is the only way to finance social programs. Our social programs must not be destroyed. It took a long time to build a social safety net in Canada; we must improve it, not eliminate it.

*[English]*

**Mr. Easter:** Mr. Speaker, I thank the member for his question and would agree. We have certainly talked about those very issues in the discussion on this side of the House within our party and within our caucus. We have to look at all the areas of taxation. We are concerned and we must be assured that there is some balance. A tax advantage to the wealthy is in effect a subsidy to the wealthy. I agree with that. I think there has to be balance. We have to look at the subsidies to the wealthy that are allowed by tax advantages. On the other side we have to ensure that there is a sound social safety net for citizens across Canada.

We can take pride in what Canada has put in place to date but we recognize that now it needs to be changed. We are going to look at that in a comprehensive way. At the end of the day I hope we will all be better off as Canadians.

**Mr. Jim Abbott (Kootenay East, Ref.):** Mr. Speaker, it is always interesting to hear speeches by these Liberals who have converted to the Reform point of view that there have to be changes. It is interesting that none of these things came out during the last election.

The member speaks about going to his constituents and also going to the Council of Canadians and asking how many have talked to MPs. If they had spoken to the Liberals during the last election they would not have been hearing the same thing that the member was talking about to his constituents at this meeting he was reporting on.

The Reform Party by contrast has consistently stipulated that there must be protection for the disadvantaged in our society and the only way we can do it is to make sure that the pie is carved up in their favour.

Does the member agree that the outdated concept of universality that was touted consistently by the Liberals in the election is now dead? Or does he believe, as the member sitting behind him seemed to believe in debate the other day, that it is universality if necessary but not necessarily universality?

**Mr. Easter:** Mr. Speaker, no, I certainly do not believe that universality is outdated. Universality is important especially in a caring, sharing nation like Canada.

It is too bad the member had not been in my riding during the last election. I spoke extensively in my riding during the campaign about the importance of protecting and enhancing the abilities of the disadvantaged, the difficulties we have in some areas where we need regional development programs to better those programs through changes in taxation policies and through other reforms the government may undertake.

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We cannot look at each particular reform in isolation. The government is looking at it in many areas. It is looking at reform in terms of social security reform and economic reform. The government is willing to stand up and lead the way. That is what I believe we are doing.

(1230)

[*Translation*]

**The Acting Speaker (Mr. Kilger):** Resuming debate. The hon. member for Drummond. I would ask the hon. member to give me confirmation that Bloc Quebecois members will split their time.

**Mrs. Pauline Picard (Drummond, BQ):** Mr. Speaker, I will indeed share the allotted time with my colleague.

I am pleased to inform the House of the reactions and comments following the release of the details of the social program reform announced by the Minister of Human Resources Development.

First, I think this reform should be named more accurately. Indeed, the minister's initiative is not a reform of our social program system but, rather, an exercise which is part of an operation to cut into the budgets allocated for social programs. Ultimately, this exercise will result in cuts of \$15 billion over a period of five years.

The paper released by the minister is very clear on this, at page 23, where it says: "Reform of social security cannot be contemplated in isolation from the fiscal realities facing governments in Canada". Three pages further, the document provides more details on the real intentions of this government: "A social security system that is financially unsustainable is a dead end". The minister can certainly not be accused of lacking in imagination; he wants to make profitable a social system whose *raison d'être* is to help those who are in need of assistance.

What we have before us is not an initiative to help needy Canadians and Quebecers. Nor is it one which will provide them with some security. It is not designed to make the world a better place for everyone. On the contrary, this is an initiative from a government which wants to cut its spending and reduce its deficit at the expense of the poorest ones in our society. In fact, this reform is a tool which the government will use to cut its expenditures and put its finances in order.

There is another purpose for this reform and it is to centralize powers in Ottawa. This is every federalist's dream. So, this reform will be a very useful tool indeed. Most of the options proposed in this reform tend toward centralization. All in all, the government's two main objectives are very clear: to drastically reduce its social spending in order to put public finances in order, and with what is left, to try again to centralize the powers in Ottawa, at least in the jurisdictions it sees fit, notwithstanding

the provisions of the Constitution Act of Canada and the priorities of either Quebec or the other provinces.

Quebec and Canadian taxpayers give the federal government large sums of money, a portion of which is intended for health care and education pursuant to the 1977 agreement. The problem is that the federal government prefers to use this money not for its specified purposes but to reduce the deficit. The federal government must realize that by increasing the tax burden of Quebec and all the other provinces, it directly affects the whole social system the Quebec and Canadian people rely on. It is estimated that the federal government has saved \$22 billion since it started to cut spending and to freeze transfer payments. The federal government has squeezed Quebecers and all Canadians to the tune of \$22 billion.

Despite higher taxes, federal contributions to the health and welfare program via transfer payments have so drastically decreased that the basic principles of the health and welfare system are being questioned and jeopardized.

This reform confirms the federal government's intention to continue cutting transfer payments. Now, after reducing health transfer payments, the federal government is attacking education transfer payments with the reform proposed by the Minister of Human Resources Development.

Let us briefly review the implications of this reform for the education sector. The reform provides for the total elimination of education transfer payments for post-secondary education, meaning that the provinces will get, at the very least, \$2.6 billion less than before.

(1235)

This decision will have two consequences. First, the federal government will again reduce its deficit on the back of the provinces by substantially raising their fiscal burden. Second, this loss of revenues will force provinces and universities to contribute more to the funding of the education system. The rest is easy to guess: education costs and tuition fees will have to be higher and students will end up being the ones to pay for that by contracting more loans.

For Quebec alone, this loss of revenues will reach \$300 million a year; that is, \$300 million Quebec students will have to pay themselves because tuition fees will increase two-fold. While reaffirming the importance of university training, the federal government submits a proposal that restricts access to post-secondary education by increasing student indebtedness. This means that the proposed reform reduces the accessibility of post-secondary education for students whose financial means are limited.

We have been fighting for at least 20 years in Quebec to democratize access to post-secondary education and now the federal government is trying to undo what we have done. The government even goes beyond that by proposing dangerous and ridiculous ideas. First of all, it proposes to establish a cen-

tralized loan program in Ottawa. The game is easy to understand: first the federal government deprives the provinces of the funding it had promised them and lets them deal with their financial problems on their own, then it takes sole responsibility for the student loan program and wants to standardize it. Second, it goes as far as to propose that students use their RRSPs to finance their education. Mr. Speaker, do you know many students who have more than \$25,000 in RRSPs? Personally, I do not know any.

This government who promised jobs to everybody, who talked about jobs, jobs, jobs for months, had a good opportunity to put in place a structure that would focus on job creation. Yet, we do not see any employment policy in this reform, any incentive to create jobs. While there is a consensus in Quebec and in the other provinces regarding the urgent need for a joint action plan for job creation, the Liberal government tables a discussion paper whose main objective is to cut social programs by several billion dollars annually.

The green paper tabled by the Minister of Human Resources Development first gives us an inventory of unemployment insurance, training and welfare programs and then tells us how to weaken them even further. To deal with structural unemployment related to inadequate manpower training, the federal government should have started by letting Quebec set up a sensible manpower training system. This is one of Quebec's traditional demands, one on which a consensus was reached long ago by employers, unions and politicians. It is truly unfortunate that this government failed to use this opportunity to get rid of a lot of the costly overlap produced by a federal system that is in very poor shape.

The duplication and administrative overlap that exist between the Government of Quebec and the federal government are partly responsible for the disastrous political and economical situation facing Quebecers and Canadians every day. The federal government, which insists on pushing its centralist approach, is largely responsible for the costly and inefficient proliferation of duplication and administrative overlap between both levels of government. Through massive use of its spending powers, the federal government is gradually and deliberately encroaching on Quebec's jurisdiction over health care, while ignoring what has already been done by the Government of Quebec.

According to a study introduced in 1991 by the federal Treasury Board, 45 per cent of the programs of departments, Crown corporations and federal agencies, representing a total of \$40 billion in spending annually, were introduced although similar measures had already been initiated by provincial gov-

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ernments. This wasteful use of financial resources caused by duplication and administrative overlap between Ottawa and the provinces, is to us a clear indication that the disastrous state of public finances and the deteriorating competitive position of the Canadian economy are a direct result of the crisis in Canada's political structures. This wasteful spending must stop. Quebec has always demanded that the federal government stop encroaching on its jurisdictions.

(1240)

Recently, Quebec again asked the federal government to stop interfering in manpower and occupational training, which cost Quebec taxpayers \$250 million annually. Instead of realizing this and withdrawing from this area, the federal government has decided to use this reform to interfere on an even broader scale and make this administrative mess even more costly.

In this area as in so many others, the federal government should stop being stubborn and start acting in the interest of efficiency and effectiveness. Our level of indebtedness, the failure of the present policies as illustrated by the unemployment rates, and the number of people on welfare do not permit us to allow this wasteful overlapping of jurisdictions to continue only to satisfy the federal government's desire to control everything.

Today, because of overlapping, we are unable to implement efficient programs geared to social and economic needs. Therefore, we must come to the conclusion that if the federal government was really concerned about the welfare of Quebecers and Canadians, it would cancel its ill-conceived reform and concentrate instead on dealing with the issue of overlapping. In so doing it would realize that, in the area of social services, most stakeholders come under provincial jurisdiction, and that the federal government has no business getting involved. Quebec and the provinces are already there and in spite of under-funding, are more successful than the federal government.

Far from trying to deal with these cases of counterproductive overlapping, with its ill-conceived reform, the federal government is creating more overlapping by proposing to regroup under one roof all manpower programs managed by various levels of government.

It goes without saying that, as opposition health critic, I am looking at the health aspects of this ill-conceived reform.

We of the Official Opposition believe in maintaining the five major principles which are universality, comprehensiveness, accessibility, portability and public management. However, what we are decrying is the fact that the federal government still insists on imposing these principles while at the same time cutting funding, especially since these cuts which, on many occasions, the Quebec government has called unacceptable and inconsistent, have not been followed by a drop in Ottawa's meddling. It is sticking steadfastly to its national standards and continues to intervene in areas where Quebec and the provinces



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have jurisdiction, by creating parallel programs and therefore more problems of overlapping.

The link between poverty and health has been clearly demonstrated by several studies. Low-income people are more often sick, consume more drugs and require more care. We know that in the last few years poverty among young people has increased dramatically. Not only will these children cost more in health care, they will have learning disabilities and will be twice as likely to drop out of school as their wealthier friends.

In the end, these children will depend on welfare instead of contributing actively to the development of our society. To better control the general state of health of the population in Quebec and Canada, and therefore reduce health costs, we must start by fighting poverty to the finish. What does the federal government propose in this regard? I can see nothing. The reform even proposes to reduce family benefits of low-income families. This reform will only aggravate a situation already tragic for the over 1.2 million children in Quebec and Canada who live in poverty.

By refusing to acknowledge the link between poverty and health problems, the federal government is jeopardizing the effectiveness of our system.

**The Acting Speaker (Mr. Kilger):** Order, please. I am sorry to have to interrupt the hon. member, but her 10 minutes are certainly over. I will nevertheless take the liberty of asking our colleagues whether we could allow the hon. member for Drummond to conclude her remarks. We would forgo the five-minute question and comment period. Does the House agree?

**Some hon. members:** Agreed.

**Mrs. Picard:** Mr. Speaker, I had only one more paragraph.

On behalf of the people, the neediest and the middle class, we reject the proposal of the Minister of Human Resources Development and we urge the government to come up with real measures, measures to create jobs.

(1245)

**Mr. Michel Daviault (Ahuntsic, BQ):** Mr. Speaker, I welcome this opportunity today to participate in this debate on the proposed reform of social security programs put forth by the minister of social program cuts.

Let me tell you right away that this long-awaited reform proposal finally laid before us in a discussion paper will not be translated into actual legislation before next fall at the earliest, and perhaps not before 1996, as Chantal Hébert indicated in *La Presse* on October 5.

This use of public consultation to forestall objections by the provinces and pressure groups gives credence to the contention that this government intends once again to go it alone, by-pass-

ing the provinces as it recently did at the National Forum on Health.

It is always the same thing. "This recipe for income security to reform sounds like one Pierre Trudeau, Brian Mulroney or Joe Clark would have cooked up", writes Chantal Hébert.

The minister's document presents this reform proposal as a magic recipe to boost the economy as well as job creation. Make no mistake, the primary objective of the federal government is to make cuts in social programs to bring the deficit and the national debt down.

References made to compassion and fairness in this document have a rather conservative flavour to them, while the real face of this reform is rather hideous. Especially when we already know that, as indicated in a secret document submitted to Cabinet and published by the *Toronto Star* on October 5, this government plans to make another \$7.5 billion in cuts over five years on top of the \$7.5 billion announced in the last budget. So much for compassion!

On the subjects of job creation and unemployment insurance, I will only touch on a few aspects of the proposal dealing with job creation and changes to the Unemployment Insurance Program.

The proposals made in this document rest, in fact, on a misdiagnosis of the current situation. The problem facing Canada and Quebec is job scarcity. The reform proposal deals exclusively with employability, while what we really need is a real job creation policy.

A group of professors of social law at the University of Quebec in Montreal wrote recently: "They talk about employability, adapting individuals to the labour market and training people for jobs that do not exist, instead of adopting a real job-creation policy". The group adds: "It is incorrect to postulate that the unemployment problem is due to individuals not being adapted to the market, as though they were merchandise [—]To put people back to work, they first need something more than insecure, underpaid jobs".

As for the employment situation, the employment/population ratio is the most reliable indicator of the actual employment situation. In Quebec, this ratio is now 54.7 per cent, while in April 1990, just before the last recession began, it was around 58.6 per cent. This statistic shows that we are still very far from the pre-recession employment level and that the employment recovery is very slow.

Considering population growth, 800,000 jobs would have to be created in Canada, more than 200,000 of them in Quebec alone, to return to the level of April 1990; at the present rate of job creation, assuming that there will be no slowdown before the end of 1995, it will take at least three years to return to the pre-recession level.

This shows how anemic the recovery that the federal government tells us about is. In fact, this recovery is due more to increased productivity than to increased employment. Statistics for September 1994 show that following a large rise in the previous month, unemployment stabilized in Quebec at 12.2 per cent, while in Ontario it continued to fall, reaching 9.2 per cent.

In particular, employment in the Montreal market is growing a little more slowly than in the first quarter of 1994. The annual rate of growth in the metropolitan area went from 4.8 to 2.6 per cent. Moreover, Montreal continues to lag behind the rest of the country and has not recovered one fifth of the jobs lost during the recession. This is taken from *L'économie de Montréal* for the second quarter of 1994.

The jobless rate for residents of the City of Montreal is three points higher than for the metropolitan Montreal census area.

(1250)

As for the proposed reform recommendations, one of the options favoured by the government is to introduce a second class of unemployed for those with precarious jobs. We know full well that such jobs are mostly held by young people, women and artists. These second-class unemployed people would be subject to "compulsory" employability measures and forced to participate in community work. They would also have to pay higher premiums in return for lower benefits.

Proposing such measures takes a certain amount of cynicism, as they clearly show that this government sees the unemployed as lazy people—beer drinkers, as the Prime Minister said—whom a very paternalistic government must force to take the necessary steps to find jobs.

We can only conclude that the federal government has no job-creation policy as we know full well that coercive measures do not generate employment. Yet, the term "employment" can be found throughout the discussion paper. They even talk about employment insurance, which is misleading, as it would be more accurate to refer to poverty insurance or social insecurity reform.

By attempting to reduce the debt through arbitrary cuts in social programs, the government will only manage to increase the number of welfare recipients.

The first thing this government should do about unemployment is to allow interested provinces to implement a coherent manpower training program, as it just did in the case of Quebec's Mohawks. "This is truly a double standard", said Quebec's employment minister, Mrs. Louise Harel, to the daily *Le Devoir*, adding that, from the federal government's perspective, what is good for the Mohawks is bad for Quebecers.

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But let us go back to that system with two types of unemployed workers: those who hold precarious jobs and those who have seasonal jobs. Bureaucrats use a very politically correct expression in reference to these people, calling them frequent claimants.

One of the most disturbing aspects of these recommendations is that women would be the first to be affected, given the family income criteria.

"Taking the family income into account transforms the UI program into a more selective program, somewhat like the social assistance program. [—]Such a measure would put an end to the universality of the right to work. Once again, women are the ones who will be affected", added the UQUAM task force.

Several other questions remain unanswered. For example, what does the reform recommend for workers aged 50 and over? These are people who have held the same job for 20 to 25 years. Training? Retraining for a year or two and for non-existent jobs? What will happen to the very limited Program for Older Worker Adjustment, POWA, which is unfair to Montreal workers precisely because of the federal criteria being applied?

All this, finally, to follow the finance minister's orders: cutting assistance to the poor rather than taxing the rich. Thus, new and even more arbitrary cuts will be hardly surprising, since the government wants to reduce its deficit by \$25 billion by 1997.

The Minister of Human Resources Development tries to sound compassionate and alarmist when insinuating that:

if we do not carry out this reform—that is, if we do not cut social programs—the World Bank, the International Monetary Fund, and the international financial establishment could do it in our place.

There are other ways to reduce the deficit and to put into place a real job creation policy, and we have indicated some of these to the government. Cutting social programs will certainly not rid us of the unemployment plague.

**Mr. Dan McTeague (Ontario, Lib.):** Mr. Speaker, I listened to the hon. member's comments with some concern. It seems to me he was very negative in his references to the government and made it seem as though one of our initiatives is a way of getting even with the unemployed because we feel they are lazy.

He also said that with our social security reform, we were taxing the poor. It is of course not the first time that comments from the Bloc Québécois are rather negative and do not represent the real situation.

Where did the hon. member get his information, and could he quote his sources?

(1255)

**Mr. Daviault:** Mr. Speaker, I thank the hon. member for his comments. In *Creating a Healthy Fiscal Climate*, released last week by the Minister of Finance, the minister said that major structural changes had also been made in the Unemployment

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Insurance Program, in this budget. However, these changes are only a first step. The document entitled *Improving Social Security in Canada* contains proposals that would further change the structure of various programs and lead to major additional spending cuts, the objective being two-fold: to reduce premiums and reinforce job development services.

Of course, it is the government's job to be positive about these proposals. There are others who question the consistency of the Liberal government. For instance, today we read in *The Citizen*, in an analysis by Mark Kennedy, and I will quote the passage in English:

[English]

In 1990 the Mulroney government changed the unemployment insurance program so that people had to work longer to qualify for UI and if they did their benefits expired sooner. The Liberal report at that time said the measure had led to dramatic increases in the number of people being forced from UI to welfare. The party urged the government to rescind the change.

In 1990 the Mulroney government froze transfer payments to provinces for health care and post-secondary education. The Liberal report condemned the action. In opposition the Liberals said funding limits for welfare programs would just hurt those who had nowhere else to turn. In government the Liberals have not repealed the Tories' funding formula. Rather, they want a new formula that means even less federal spending on basic welfare.

In opposition the Liberals said a freeze on health care funding runs counter to the fight against child poverty. In government the Liberals have not ended the freeze and the Prime Minister warned last week that health care funding will need to be cut or medicare will be destroyed.

In opposition the Liberals said cuts in federal support for post-secondary education have led to higher costs for education which include higher tuition fees and that led to higher unemployment for youth.

[Translation]

In government, they do the same thing.

**Mr. Jean-Guy Chrétien (Frontenac, BQ):** Mr. Speaker, I would appreciate it if my colleague from Ahuntsic could help me reassure senior citizens, especially those living alone.

In the town of East Broughton, in my riding, there is a lady called Mrs. Lessard, who calls me just about every week in need of reassurance. Again last Friday, she called my office to tell me that she could hardly make ends meet. She reminded me once more that the Liberal government had been elected on the promise to get rid of the GST. She told me that she had postponed filling up her oil tank in the hope that the GST would disappear before winter. But she realized that she could wait no

longer and had to have her tank filled; and, of course, she had to pay the infamous GST plus the QST.

Once again, I would ask the hon. member for Ahuntsic to help me make senior citizens, especially those living alone, feel more secure.

**The Acting Speaker (Mr. Kilger):** I would ask the member for Ahuntsic to please give a short answer.

**Mr. Daviault:** Mr. Speaker, I would very much like to make senior citizens feel more secure. But this measure was taken on the spur of the moment, without any strategy. As mentioned in the UQAM's document, the government wants us to believe that we are being consulted. First, it threatens us with cuts, no matter what the consultations result in. Then, it fails to link its reform with other issues such as Old Age Security, the national health policy, or a concrete and comprehensive reform of the tax system, which are all important points. The government is only looking at the problem from a cost standpoint without giving itself the means to solve it through taxation. It is only going to review the tax system six months down the road.

[English]

**Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.):** Mr. Speaker, I rise to participate in the debate regarding the future of Canada's social services.

(1300)

I wish to congratulate the Minister of Human Resources Development for his commitment to ensure that all Canadians can participate in this consultation process. The result will be a fundamental change in our social services. The reason for this change is evident. As the Prime Minister has already said, the status quo is not an option.

It has been Liberals who have responded to previous needs for social service programs and put into place the social services that we have today. Liberal governments of the past have introduced among other programs old age pensions, unemployment insurance, the Canada pension plan and student loans.

This Liberal government now calls upon Canadians to accept the challenge to redefine priorities, to identify what is important and to create a new social policy for the next century. This challenge is not about change for the sake of change. It is the government's response to Canadians who have demanded changes in the way that our social system operates now. It is a response to a changing society. We have been asked to do this by Canadians.

The programs that exist today were created for different circumstances and under different times. The recession and restructuring felt deeply by millions of Canadians make what we are setting out to do not only urgent but fundamental for our survival as a nation.

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Yesterday's solutions are not going to answer today's problems. New solutions are necessary and we are going to provide those solutions for Canadians.

The task is enormous, make no mistake. We are asking Canadians to redefine what is fundamental to many. With this reform we are going to change everything from unemployment insurance to social welfare. The task is not government's alone, however. All Canadians have been asked to participate and support this effort to provide better service.

The need for reform is evident and clear. We are taking a responsible approach to a difficult agenda. It is easy to simply cry for cuts and reductions. What lies before us is a task of nation building. We are participating in a historic opportunity to reshape our social security programs. The end result should ensure that the world will again look to Canada as a nation that cares for its own and has rebuilt its social programs to respond to our needs now.

This exercise is more than deficit reduction. Obviously we would not be experiencing this sense of urgency without the need to control our debt and deficit. More important however, we are responding to programs which no longer reflect the changing needs of a changing society. Quite evidently the status quo, as the Prime Minister has said, can no longer be accepted.

My constituents know that we are facing serious decisions. They want our government to act. They also want to participate in a process which makes them a part of the solution. They want us together to confront poverty, to ensure that our children are able to enjoy the best post-secondary education and they want to be protected from unforeseen circumstances. While they want government to provide these services, they know we no longer are able to afford the services of the past, especially services which are unable to respond to current needs.

The standard of living in Guelph—Wellington is very good. Despite a lower than average unemployment rate, we still have incidents of child poverty; there are a number of seasonal workers more affected by economic downturns than most of us; we have seniors and students who fear for their future; and the United Way and other agencies are busy with demands for their services. Guelph—Wellington like all of Canada has felt the ravages of the recession. We have individuals who relied on and continue to need the kinds of social services that we are being asked to improve.

What the people of Guelph—Wellington have always demanded from government is quality. They want their money to be well spent, they want value and they demand excellence. They want a social service network that protects those most in need, allows for flexibility, encourages growth in the human spirit and above all assists in job creation and economic renewal, for that truly is the way to success. They do not want people to be dependent but rather they encourage independence. They

want to help build and encourage. They no longer want, nor will they accept the status quo.

(1305)

My constituents know that many of the proposals in the green book are new and daring but they want to take the chance in order to effect change. I have discussed for example the proposals regarding income contingent repayment loans for students with the president and the students of the University of Guelph. They know there are risks in this proposal but they want the freedom to better plan their post-secondary education. They want to take a more active role in what affects them.

The University of Guelph welcomes new innovations and ideas. The people of Guelph—Wellington welcome the opportunity to effect change in post-secondary education and other programs. They want to share responsibility with this government. They want programs which will be fair and will benefit all Canadians fairly.

We must address fundamental and very real issues in the next few months. Above all we are not only talking about programs, we are addressing real people with real needs. We are talking to the seasonal worker who in his or her construction trade faces a two year waiting list for employment after they have completed a job. We are talking about the teenager in Erin, Ontario who is hoping to attend university. This reform is about the senior in Guelph and the newborn in Puslinch.

We are going to talk about new ways to help those who are struggling to make ends meet. We are going to find new ways to assist Canadians who today have no idea that they will need social assistance in the future, but because of some unfortunate circumstance they will find themselves seeking help at some point in their life.

The majority of people in my riding voted Liberal because they trust a Liberal government. They know that Liberals have in the past responded to similar difficult situations. They want reductions in government spending to be sensible and reasonable. They want a responsible approach to social service renewal and they want real consultation.

This process will result in a new and better way to provide social services. It will end the duplication of services and build on new partnerships.

The people of Guelph—Wellington no longer want to know who is to blame for the past. They want to know who to turn to for their future. They want decision making which will be for their benefit and for the benefit of all Canadians. They want to join our government in renewal. They want jobs, security and education for their children and for themselves and assistance for the unemployed. They want welfare that teaches, encourages and trains for new skills rather than a government handout that demeans and discourages. They want literacy, employment opportunity and the dignity of work that our Prime Minister is quick to always encourage. They want to participate in nation building, not division.

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We are responding to the demands of our history. Last fall the Liberals asked Canadians to help create opportunity. This fall we are asking them to seize that opportunity and build a better Canada. The people of Guelph—Wellington are ready to answer that call. Together we will build a Canada that will remain the best country in the world.

[Translation]

**Mr. Jean-Guy Chrétien (Frontenac, BQ):** Mr. Speaker, I listened very carefully to what the member for Guelph—Wellington said about the reform of social security in Canada.

(1310)

Last weekend, I spent several hours meeting groups of my constituents in Frontenac and when they were told that the country is on the brink of bankruptcy, with an accumulated deficit of \$550 billion, some of them reminded us that this monstrous debt was created not by the Conservatives but by the Liberals, a government to which the present Prime Minister has belonged practically since his youth.

Remember that this \$550-billion debt was not created overnight. The deficits began to pile up in the early 1970s, in the Trudeau era, and now a real climate of fear is being created throughout the land; people are almost made to feel guilty for collecting an allowance for their children or an old age pension or a welfare cheque. Some feel guilty, as though they were cheating the country, but they are not.

Most of these social measures were brought in by a Liberal government and now it will cost a fortune in advertising and cross-Canada tours to try to make the electorate swallow the pill. I asked my constituents on the weekend what they proposed to reduce this famous deficit. Since it was in the news, they said why not cut the \$2 million for the Robin Hood, William Tell and Top Gun exercises.

Of course, Mr. Speaker, you will tell me that \$2 million is a drop in the bucket. Yes, a little snow does not stop a locomotive, but billions and billions of flakes of snow will stop the whole train. You see, \$2 million are being spent so that some sixty of our soldiers can go and have fun in Florida.

Two weeks ago, we were told that \$2 million a year were spent on the restaurant here on the sixth floor while senators and MPs invited their constituents and friends for lunch and forgot to pay before leaving. Two million a year; it is a real disgrace! It is really shameful, and then we hear that politicians are unpopular. With things like that, the voters in Frontenac are right to question politicians' good will.

I wonder if the member for Guelph—Wellington could give us her opinion, her own, not her government's which I already know, but her own opinion on tax shelters or family trusts which contain billions of dollars that could be collected from wealthy individuals.

[English]

**Mrs. Chamberlain:** Mr. Speaker, I could go on forever on this one. To the hon. member for Frontenac, you are quite right, a Liberal government was responsible for many programs that have helped this community—

**The Acting Speaker (Mr. Kilger):** Members should be sure they direct their comments through the Chair and not directly to one another.

**Mrs. Chamberlain:** Mr. Speaker, I was just getting started. There is no doubt a Liberal government has been responsible for many of the innovative and new reforms that have made Canada what it is today, clearly the best country in the world rated for the second time. Let us put that on record.

It is important to understand that all of the benefits brought in by a Liberal government were brought in for the country as a whole, including Quebec. It is very important for that member to understand that we look after all Canadians.

The member for Frontenac talks about our growing the debt. I wish to inform him that to begin with some of the debt was caused by the Liberal government. Then we had the new regime, the Tories, and a small debt grew into a huge debt.

(1315)

The member for Frontenac says that we are on the verge of bankruptcy. I wish to be very clear on that. We are not on the verge of bankruptcy. That is clearly a tactic to entice Quebec people to buy into that notion. As we know from the recent election many Quebec people do not buy into that sort of thinking or mindset. We know it is not true.

We are however at a crossroads. Clearly the government is going to act on reforming social programs. I draw the attention of the hon. member to the *Financial Post* of today that states clearly Canadians are in support of this reformation. We are catching up to what all Canadians want, Quebec included.

**Mr. Robert D. Nault (Kenora—Rainy River, Lib.):** Mr. Speaker, I rise today in support of change. Although I have not entirely determined my position on all the proposals contained in the government's discussion paper "Improving Social Security in Canada", I am carefully considering the various options. Frankly I am waiting for my constituents to digest these ideas and tell me what they think.

However I am certain of my support for the process the discussion paper initiates. It is a process of change. The government is once again showing its commitment to innovation and complete consultation with Canadians in an open and constructive manner.

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The change I speak of is necessary because in Canada we have a social security system that is simply not working properly. Our social programs no longer function adequately, often neglecting those people who need help. I need only cite recent statistics on child poverty to prove the point.

Clearly there are some people caught in the revolving door of welfare who are otherwise capable and willing to work. That is a problem. It hurts the system and impedes our ability to deliver efficient programs. We must improve the system. We must bring about change.

When the Minister of Human Resources Development released his discussion paper a short while ago, immediately we listened to the barrage of criticism from across the House and complaints from interest groups across the country.

I could not be happier. In my mind the discussion paper is a total success. That is exactly what a discussion paper is supposed to do: to get Canadians talking about our social security system. Whether the comments are positive or negative Canadians have started the debate on social policy. That is exactly our intention. It is debate by Canadians that will inspire the creative ideas we need to improve our social security programs.

I remind members across the floor that the discussion paper is not government policy but rather a framework of proposals to work toward solutions. The debate will continue. The government is listening to the condemnations from political camps and special interest lobbies. Lo and behold the silent majority speaks. Canadians were recently solicited for their opinions. Scientific sources tell us the strong majority of Canadians think the social security system needs change.

That is one reason I am a member of this majority government. We promised change. We were elected to a majority for change and now we are delivering on change. Furthermore an overwhelming majority of people in the country apparently think specific programs like unemployment insurance and welfare desperately need change. I reiterate that I stand in support of change.

I also support the nation's exemplary tradition of helping our poor, our disadvantaged and our unfortunate. However I am concerned that what began as a system of assistance for the poor, the unemployed and disadvantaged has turned into a social trap. The system now applies social assistance inappropriately, thus missing the target and costing far too much in the process. Canada's social security system has drifted from its original intent. That is why we are here re-examining the issue with the objective of improving it.

(1320)

I cannot speak for my colleagues but I have received several letters from people who are upset. They say that we are unfairly subsidizing the social security system and that we must seriously address those concerns.

I am not blaming the victims in our society. I want a social security system that will protect and help victims of misfortune. If we do not improve the system we will not be able to help those people in the future. We also have to face financial realities. When social programs are unfairly applied those truly in need are the people who suffer.

I would like to examine a couple of specific ideas if I could. One is the concept of getting people back to work. The other is the essence that in the priority of the government jobs for Canadians will solve a lot of our social security problems.

There is a deficiency with programs such as welfare and unemployment insurance. For example it often makes more sense to remain on the welfare roll rather than seek employment because sometimes welfare benefits pay better than low end jobs. There is no incentive for people to enter the workforce and advance careers into better paying jobs. The problem is well documented.

I do not think it is unreasonable to expect we should develop policy that motivates people on welfare to enter the workforce. By encouraging Canadians to find jobs we are also helping individuals gain the dignity we all desire.

The proposal of supplementing wages with social assistance until people rise above the poverty line while remaining in the workforce is a commendable idea. We must also develop effective job training programs so that people can acquire the skills they need to excel in the workforce.

Social programs must involve the availability of education. We must explore policy options that direct federal funds to provide education and training for people who currently receive social assistance. Far too many children live in poverty because parents do not have the option of furthering their education and developing meaningful careers. By providing opportunities for education and training we will see welfare rolls decrease.

The proposed two tier system of unemployment as it relates to insurance has received considerable support in my riding at this early stage of social policy review. I contend that the UI program is being abused. The program should be used only as insurance in circumstances where Canadians find themselves unavoidably caught between employment opportunities. That is what the program was originally intended for but is not how the program operates today.

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Unfortunately many Canadians have learned to depend on UI as a steady source of income. I do not think it is fair to ask working Canadians to subsidize those who consistently calculate UI into annual income strategies. We have to pay special attention to our seasonal workers. There are many Canadians and many careers in Canada that depend on seasonal employment. Those people cannot be left out in the cold, but we must address the excessive costs to Canadian taxpayers of a system that allows people to depend on social assistance when they are capable of working.

Rather than simply ignoring frequent UI applicants we should help them find long term employment, or perhaps multiple seasonal jobs. The government is obviously open to suggestions. We cannot escape the fact that the UI system needs improvement.

In conclusion I support the discussion paper on social policy because it represents an agenda for change. We are going through profound changes. Some of these changes are stamped with dire predictions of doom and gloom. I say that just the opposite is true. Social policy review is one component of a new process for change. We are asking that Canadians temper their immediate expectations. We are asking for sacrifice today so that our children may prosper in the future.

**Mr. Ian McClelland (Edmonton Southwest, Ref.):** Mr. Speaker, I listened with interest to the dissertation of my hon. colleague from Kenora—Rainy River on the very important subject of social policy reform.

(1325)

Would the hon. member opposite be good enough to clarify his personal views on two very basic subjects? First, does the member opposite feel that entitlements or benefits should be based on need or want? Second, should those benefits be available universally or universally available, which is a very different phrase? Third and because it is so important, what would the hon. member opposite consider to be the minimum definition of a child in poverty?

**Mr. Nault:** Mr. Speaker, to my colleague across the way let me make it clear I believe that benefits should be based on need.

The fact remains that we as a government can assess policy options through the review we are having with Canadians once the consultation process is over. I believe there is a strong possibility that we will be able to create change and programs and policies that base their assumptions on the needs of certain Canadians.

On the question of what is perceived to be the definition of poverty, I grew up in what would probably be classified as a poor to lower middle class family with 10 children. Our father and mother worked their tails off to get us through school and to a point where we could succeed as Canadians should. To me

poverty is when there is no opportunity to succeed. That is a pretty easy, simple definition. When I went to school and was of university age I would never have had the ability to go to university without government participation. My parents could not afford to send 10 kids to university.

There is a need for governments to participate in helping people with the capabilities get from one school level to the next. The government and its record will prove that we have done that in the past and will do it in the future.

To me poverty also means that the basic necessities of life are looked after so students do not go to school hungry. In Kenora—Rainy River I represent the most aboriginal communities of any member of the House with a total of 46. A large majority of the kids I represent in First Nations communities go to bed hungry and go to school hungry.

If we as a government are not cognizant of that fact and do not create programs to deal with young people, how can they be expected to get off the treadmill they are on? Governments should participate in a program that makes sure young people have an opportunity or a chance by having a roof over their head and by being well fed and well nourished. Then when they do go to school, because we are supplying education, they will want to learn. They will be willing to get to the next step.

As a young person I had the opportunity to get into an educational institution to better myself so that I could make my way and make a life for my own family.

[*Translation*]

**Mr. Pierre Brien (Témiscamingue, BQ):** Mr. Speaker, the hon. member has stated that the consultation document being debated for the past few days ago accommodated a need for change. I would like to tell him that we will wait and see how the people react, if they feel there is really a need to cut in our social safety net. Let me give him an example of the impact one of the measures contained in this document will have.

As this is only a consultation document, I will ask him to tell us how he feels more particularly about cuts in established programs, the post-secondary education shared-cost programs between the federal government the provinces. A \$300 million cut is contemplated. Cutting transfers in this area will have the following impact on the provinces, which have no more financial resources than the federal government: just for the education system to be maintained, tuition fees will have to be at least doubled.

(1330)

On the other hand, the same document mentions training objectives, the fact that in today's competitive market, adequate training is essential and we must find a way to target training well, to make sure Canadians are adequately trained. At the

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same time, the government pushes for a measure that will result in tuition fees doubling, because we must recognize that these fees will double. I have heard the member give the example of a large family. Does he not believe that this measure will adversely affect access to post-secondary education and thus hinder training in terms of secondary and post-secondary education?

[English]

**Mr. Nault:** Mr. Speaker, this question has been brought up before. I do not know how long the member opposite has been out of school but as you can tell I have not been out of school that long. I remember when I borrowed money from the government through the system that was in place at that time which basically has not been changed very dramatically since then.

One of the issues the member talks about is the fact that there is a proposal to make cuts in the funding that flows directly to provinces. I totally encourage that. In fact I have discussed it with my colleagues. The present system of dollars flowing to the provinces for post-secondary education has totally failed young Canadians. It has not worked.

If the member is concerned that tuition is rising, he should look at what has been happening around him. It has been rising 10 per cent per year for the last four or five years. It is on the move up.

The government is suggesting a system where students can pay back the dollars they borrowed based on how much money they make when they get out of the system. It is a system used in other parts of the world and is much more efficient.

If he talks to the staff in his office about one particular constituency problem he may regularly face, he may find that young people are coming in on a regular basis because they cannot afford to pay their student loans. There has to be a way of changing the system and that is one of its major problems.

Last, he asked about training. One of the proposals is about transferring dollars to training and supplementing the people on welfare with training dollars. We are not reducing the amount of money that a Canadian will get. We are increasing it with a built-in incentive which is a much more appropriate process than saying to someone: "Here is your welfare cheque. Don't ever bother coming back into the system. Stay where you are. We like you being on the poverty line". We are saying that we will give a minimum amount of welfare but we will supplement it with training dollars so people can improve themselves and get back into the workforce. In this way they will be a part of the constructive society we are trying to build.

**Mr. Ray Speaker (Lethbridge, Ref.):** Mr. Speaker, on behalf of our whip and pursuant to Standing Order 43(2) the Reform caucus will be dividing its time.

I would like to comment briefly on the discussion paper before us on social security released by the Minister of Human Resources Development. As well I would like to comment on remarks made regarding the *Financial Post* and the poll it has taken. I note there is major support for what is called "Axworthy's reforms". The question is very simple: Do you support reform of the social security system? Anybody would say yes to that. Anybody. The question really does not have very much credibility when you look at it.

Of note also in that poll is another statistic that is relevant and I would like to talk about it here today. It is that 78 per cent of those people polled thought that reforms were to save money and to meet the government's goal of deficit reduction. People are very conscious of their responsibilities and of the current circumstances of the government.

This discussion document has established three objectives: first, to help Canadians get and keep work; second, to support those most vulnerable; and third, to ensure affordability. These are certainly laudable goals which all of us can support. However the discussion paper does not set out a realistic plan to achieve them.

(1335)

First, the paper does not adequately recognize the gravity of the financial situation we are facing in this nation. Second, the paper attaches no price tag to any of the proposals. If the document is to enable Canadians to make intelligent choices regarding our social security system, it must include the cost of the programs and a realistic picture of how much money we can afford to spend. I certainly want to emphasize the word afford at this point in time.

The first objective of the social security review is to increase employment. How does the minister propose to do this? Three ideas are presented and it is worthy of note that none of them are specific nor do any come with a price tag.

The minister suggests improving employment development services. The list includes job counselling, training, labour market information and various other buzzwords that we read in discussion papers such as this one.

The paper notes that existing programs which provide these services have not worked very well, however no consideration is given for why they have not worked. This is the first place where the paper is inadequate. No time is taken to consider why the existing programs have failed to meet their objectives. Rather it is automatically assumed that what we need is a new program to fix the mess that was left by the old ones, just a new program.

Incentives for hiring unemployed workers are also suggested in the paper. Such schemes often call for the government to pay a portion of the worker's wages so that he or she can gain valuable work experience. This all sounds great on the surface, however



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these types of programs lead only to rearranged jobs rather than adding new ones.

Furthermore when employment incentives are exhausted firms simply drop the formerly subsidized workers from the payroll and the cycle begins again. Another unemployed person is picked up by the government program only to be dropped shortly thereafter. That is not the solution to the problem. The OECD, and I add this as support, has examined such subsidy programs and concluded they cost more than the value of the benefit they derive.

The paper before us considers the unemployment insurance system. Certainly the unemployment insurance system needs reform but the minister should know that simply changing the name from unemployment insurance to employment insurance will not save the Canadian taxpayer one cent nor will it add one job to the economy.

At least in the case of UI the paper gives two fairly clear options. However they are once again without any type of cost benefit analysis. How much more money would it cost? We do not know the answer to this question. This is precisely what makes this discussion paper inappropriate as a consultation tool under the present fiscal circumstances. Hard financial choices have to be made and this paper seems to ignore those choices which must be made not only by the House of Commons but by the Canadian people as a whole.

The discussion paper also deals with the funding of education. Certainly literacy and lifelong learning are trendy concepts but where are the specifics? How will the government increase literacy and improve access to education? This is perhaps the section of the paper which is most devoid of any realistic and detailed suggestions. This is unfortunate since the government's own admission is that education is a key factor in economic growth and productivity.

In addition to the status quo only two options are presented. They include the use of RRSPs to fund education and training and also a system of income contingent student loans.

The government has turned to RRSPs to accomplish various whims of its social agenda. It does not want to deal with what I believe is the root problem: government overspending. RRSPs were used to stimulate housing in the first time home buyers plan. Now the government is considering them for education.

(1340)

Canada's growing inability to fund essential programs cannot be resolved on the back of RRSPs even though they may be a good idea for saving not only for education but for a person's retirement. Rather the government must cut unnecessary spending in order to stop the crippling effects of our spiralling debt.

On the issue of income contingent loans I will simply draw the attention of hon. members to a private member's bill on this very issue by the leader of the Reform Party. We encourage members opposite to continue to read the blue book. It has given me great pleasure to watch the Minister of Finance as he has moved from the red book to the purple book to the grey book. Most likely one of these days he will see the light and accept the blue book.

The second objective of the government's social security review is to support those most vulnerable. We in the Reform Party support this objective as well. Once again, however, we disagree with the discussion paper as to the best way to achieve this goal. The role of social policy must be to foster the right balance between personal responsibility to care for yourself and your family and both public and private health for those truly in need; in other words, targeted support and assistance.

Since the 1960s the government has enacted program after program which discouraged personal responsibility and encouraged many Canadians to rely on the government for their support and sustenance. We see the devastating results today.

The third objective in the government's social security review is to ensure that social programs are financially sustainable. We all support that. It is a good goal. However, how is it going to be done? The green book contains the statement: "The debt needs to be tackled because it causes real damage to jobs and security". Where has the minister been? The debt has been causing real damage to jobs and security for quite some time now.

Perhaps the minister should pay more careful attention to his colleague the Minister of Finance. He recognizes that the debt and the deficit are hurting our economy now. It is crippling our ability to compete economically. One of the facts we know is that the annual cost of the \$535 billion debt now consumes 42 per cent of federal revenues, excluding the unemployment insurance program which is self-financing.

I ask this question: Does the Minister of Human Resources Development understand the significance of our ability to finance social programs? What about the possibility of a recession? It could occur before the government significantly surpasses or meets the 3 per cent deficit to GDP target. What will that mean to government revenues? It will mean that they could dive, that interest rates could climb and possibly the debt will spiral. I shudder to think of the fate of our social programs and medicare under those circumstances.

From a financial perspective another serious problem with regard to this review process is the exclusion of the Canada pension program and old age assistance from the process. Under the present framework these two programs will become more expensive due to changing demographics. This expansion will increase payroll taxes causing a further drop in employment and increased economic insecurity. This is only symptomatic of a

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broader problem. If unchecked, the growth in social spending when combined with interest on the debt will consume 100 per cent of government revenues by the year 2010.

As I have said, the traditional Liberal approach to social policy which is presented in this discussion paper denies the financial realities of today. Recognizing the extreme seriousness of our deficit problem and reducing social program expenditures is essential if we are to preserve the ability to help those who are truly in need.

(1345)

Reductions in spending are not heartless. Consider the advice of the finance minister to our finance committee:

If people come before you and say that now is not the time to cut, ask them to describe the morality and the justice of letting the debt continue to run wild, unchecked, ruining the future of our children.

That is a significant statement and one that must be considered when we look at this social review. When the social review is considered in the context of Canada's economic situation, one hard fact emerges to which the green book gives little attention. The social security review must result in expenditure reductions. Seventy-eight per cent of the people polled said that must be a target.

The finance minister admitted this reality in his budget speech in February when he said the days of governments—

**The Acting Speaker (Mr. Kilger):** Order. I wonder if I might seek the assistance of the House. The 10 minutes has certainly well lapsed. I know that 10 minutes on subject matter of such importance is not very long. If the House would agree to let the member conclude his remarks, we would waive the five minute question and comment period.

Agreed?

**Some hon. members:** Agreed.

**Mr. Speaker (Lethbridge):** Mr. Speaker, I appreciate that very much.

If the government wants to meet its objectives of helping people find and keep work, protecting the vulnerable and ensuring affordability, it must recognize that major reductions in spending are required. Only when the financial situation of this country is brought under control will our social programs be safe.

In light of this the Minister of Human Resources Development must be criticized for neglecting to include financial details in the discussion paper. If the government continues on its present course with social reform and refuses to make the required reductions in expenditures, the time will soon come when Canada will be unable to care for those who are truly in need. Reformers are much too responsible to let that happen.

**Mr. Ed Harper (Simcoe Centre, Ref.):** Mr. Speaker, it is a pleasure for me to rise in the House today to respond to the government motion on social program reform. It is indeed encouraging to see the Liberal Party which brought us these failed experiments in social engineering finally concede that its programs are unworkable and unsustainable.

Canada is under attack today, far greater than any attack that might have come our way by war. We are under attack by a deficit and a debt that are dragging us down. The finance minister has come to appreciate this. In the last week or so he has been talking about the fact that we are in debt to our eyeballs, the impact that debt has on job creation and indeed the threat to our social programs.

I am pleased we are having this discussion today because the social programs we are talking about represent such a huge part of the federal government's budget. In addressing these programs we must find a way of delivering them not only cheaper but better. I think that can be done. Over the years we have thrown money at these problems to the detriment. We have not helped the situation, we have aggravated it.

I look forward to this discussion today. I would like to point out there should be no question that when it is all over there must be a dollar saving. The taxpayers are asking for it. It was reflected in the study reported today in the *Financial Post* that Canadian taxpayers are supporting what is going on here because they very much believe it is going to represent a saving in tax dollars, which we all so desperately need. I want to make that point. It is not something the government should be ashamed of. It is something the people in this country want and are asking for.

Nowhere is it more evident in the Liberal attempt to change or reorder society than in the social programs that directly intrude on the family. The whole area of child care expenditure with the state as the nanny is a clear example of this intrusion. Today I will look at the Liberal ideas and current programs and I will offer the Reform constructive alternative.

The Liberal social security discussion paper describes institutional day care as a priority if social programs are to be reformed. It states that we must provide working parents with the assurance of quality care. I would ask what care could possibly be better than quality care offered by the child's own parents? No government program or initiative, no matter how well thought out and expensive, could ever provide the love and affection or match the quality of care that only parents can provide.

(1350)

The minister stated in the House when asked about informal child care, meaning family, friends and neighbours, that parents have to work because that is how they get sufficient income. The minister should have said sufficient disposable income because

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almost all Canadians earn more than sufficient wages. This government and others tax over half of it away. It is excessively high taxes that have forced both parents out to work.

When my Reform colleagues and I came to Ottawa we promised to be a constructive alternative, to be open and honest and offer our best solutions to the debate. We have done this in many ways, including producing our plan to eliminate the deficit in three years and a comprehensive policy manual called the blue sheet.

Today in this House I am going to make it very clear where the Reform Party stands on the reform of social programs directed at children. I am also going to give the minister some clear direction in some areas where he can cut spending or spend more effectively.

The Reform Party believes that the care of children is the domain of families and that parents must have full responsibility in Canadian society to nurture, provide for and rear their children. Current federal government programs are intrusive and restrict the choices that parents may make in deciding on the best type of care for their family.

The role of government is to provide a fair tax and benefit system that provides parents with the opportunity to properly care for their children in a manner of their choosing. Government must uphold the authority and responsibilities of parents as exclusive in the area of child rearing. The only acceptable direct role for the government is as an intervener to protect children in cases of abuse or neglect.

According to the red ink book, this Liberal government is spending over 400 million tax dollars a year on institutionalized day care already and plans to spend an additional \$720 million over the next three years. Given the recent discovery that the current deficit is indeed as serious as we have been saying all along, how do we justify this? A Reform government would end all state run day care.

We believe that the federal government should not involve itself with day care programs in any way. If regulation of services is necessary then this should be provided by the level of government closest to those Canadians receiving the service which can most efficiently provide that regulation. Regulation of day care is a provincial responsibility and should remain so. Federal involvement in and funding for day care should be terminated.

Let us make no mistake about this point. Federal governments have long justified their intrusion in matters of provincial social program responsibility with the short phrase: "They cannot afford it, it is because it is indeed unaffordable. There is only one source of funding for all levels of government because there is only one taxpayer. If taxpayers cannot afford something

provincially, what makes the Liberal government think that it can afford it?"

The military family support program is a small bureaucracy within the Department of National Defence that costs taxpayers \$16 million a year and which does not directly benefit one child. There is another \$100 million to be saved by eliminating the children's bureau of Health Canada. This is not a Liberal creation. It was a pet project of the failed government of Brian Mulroney. There should be no opposition from this Liberal government to eliminating this large Conservative created bureaucracy that exists simply to study day care and push so-called safe sex education. Little of this \$100 million directly benefits children.

The Department of Indian Affairs and Northern Development spends \$270 million on various child care programs. Much of this money is directed at institutions and so-called professionals. This is unacceptable to the Reform Party and we believe it must stop.

The child care expense deduction is an example of gross inequality in our tax system, discriminating against stay at home parents. This tax deduction will cost over \$1.5 billion in lost revenue per year while the modest supplemental benefit is another \$400 million.

(1355)

There are several reasonable alternatives to this current situation. However the bottom line is that any benefit which is given to parents to care for their children must be applied equally regardless of employment status.

A few weeks ago the Parliamentary Secretary to the Minister of Finance shot down a bill in this House that would have allowed parents to split some of their income for taxation purposes. Such a measure would have introduced some of the equity and fairness we as a party are looking for. It would also have recognized the value of the work of stay at home parents who are mostly women.

This government likes to talk about defending women's rights and introducing equality for women. In fact, it has even appointed a secretary of state responsible for so-called women's issues. I wonder which issues this secretariat represents. Are they the issues pushed by NAC and the day care lobby? They are certainly not responding to the needs and concerns of working Canadian parents, the majority of whom wish to have one parent stay at home to raise their children as was made quite clear by the recent Angus Reid poll on the family.

We believe that tax reform will be a key aspect of any true reform of social programs. As a party, Reformers believe that a move toward a system of flat taxation will lower administrative costs dramatically and introduce new fairness to taxation.

With respect to children, the Reform Party would continue to recognize the costs associated with their care through a tax credit that would be available to those families with dependent children who are in financial need. The credit would be a simple line on the income tax form and applied directly to each year's taxes. Such a system would provide fair treatment to all families and allow parents the freedom to make their choices about providing the best care for their children.

There are some obvious spin-off benefits to the family centre policy that the Reform Party is advocating. Parents provide the best nurturing environment for their children. Children who are raised in other environments are statistically more likely to engage in criminal activity, do poorly in school and become a burden on the social safety net. It is in the best interests of all Canadians, financially and otherwise, to ensure that children receive the best possible care available, the care that exists within the family.

I have pointed out areas of spending in which this Liberal government can find savings in the order of hundreds of millions of dollars. I have described some basic ways to make the social programs currently directed at children more equitable while allowing parents more options.

Let us get out of the day care business, provide a fair tax system and allow families the freedom to make their own decisions. I believe that we need to put the needs and concerns of families first. We can achieve our deficit cutting goals, save our social safety net—

**The Speaker:** My colleague, you still have a few moments. Of course we will look forward to hearing the culmination of your remarks a little bit after Question Period.

It being 2 p.m. 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]

### JUSTICE

**Mrs. Dianne Brushett (Cumberland—Colchester, Lib.):** Mr. Speaker, on September 30 the Supreme Court of Canada accepted the logic of the defence of drunkenness when one Henri Daviault said he did not know what he was doing when he dragged a 65-year old women from her wheelchair and raped her.

When the highest court in Canada grants acquittal for rape based on drunkenness, women are set back 100 years to non-

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person status. This is insensitive and offensive. Drunkenness must not be an excuse to commit crimes against women.

On behalf of all women, I urge the justice minister to act swiftly to accept the recommendation of the Law Reform Commission that dangerous intoxication be made a criminal offence.

\* \* \*

[Translation]

### ABORIGINAL PEOPLES

**Mr. Maurice Godin (Châteauguay, BQ):** Mr. Speaker, the Royal Commission on Aboriginal Peoples has just announced that it is delaying for the second time the release of its final report. This report, which has already cost \$58 million, will not be available until early in 1996. Aboriginal people faced with overwhelming poverty, unprecedented unemployment and suicide rates, and housing conditions which bring shame on Canada around the world, do not need additional studies.

While the commission studies the issues to death, the government makes piecemeal decisions or defers them until the commission submits its report, which will only state the obvious.

The \$58 million would have been better used to build 1,000 houses. The minister should take action and give Natives the funds essential to their future, which a royal commission is now wasting.

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[English]

### IMMIGRATION

**Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.):** Mr. Speaker, for more than two years a herd of 800 Canadian owned alpacas has been held in Australia pending clearance by Agriculture Canada. These animals originated in New Zealand where they may have contacted the neuroparasite E-Cervi from deer.

There is no evidence that alpacas can carry and transmit this parasite, but it has not been proved that they cannot. The parasite has a dormancy period of several years and there is no clinical test for it.

One must wonder why Agriculture Canada's concern for the health of Canadian animals is greater than the concern of Immigration Canada for the health and welfare of Canadian people. Every year thousands of immigrants enter Canada without being screened for HIV. The transmission vectors of this virus are well known. Many years may pass before HIV carriers develop full-blown AIDS but the virus is readily detectable by—

**The Speaker:** The hon. member for Moncton.

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[Translation]

### FORESTS

**Mr. George S. Rideout (Moncton, Lib.):** Mr. Speaker, during the parliamentary break, Canada and Malaysia hosted an international conference here in the capital.

[English]

This conference focused on efforts to improve sustainable forest management around the world. It is of great significance that Canada and Malaysia and other participants have been able to establish a process which furthers the aims established in Rio in 1992. Our leadership and involvement in this process recognize the critical importance of forestry to this country's economic and social well-being and our commitment to sustainable development.

These meetings and future meetings could well see a positive commitment by all forest nations to environmentally sustainable development throughout the world.

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### UNIVERSITY OF GUELPH

**Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.):** Mr. Speaker, the young Liberal government and policy information centre recently opened at the University of Guelph. This is designed as a resource centre for students requiring information on various government projects and programs.

I congratulate Jeff Paul, president of the University of Guelph Liberals for this initiative. This centre is Jeff's idea and he hopes to encourage University of Guelph students to learn more about government and to help create dialogue and discussion.

Young people will be the leaders of government and of tomorrow. Resource centres like the one recently opened at the University of Guelph can help students to understand government programs and more important, encourage participation in the decision making process.

Best wishes to Jeff Paul and everyone associated with this important project.

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### SUSTAINABLE DEVELOPMENT

**Mrs. Karen Kraft Sloan (York—Simcoe, Lib.):** Mr. Speaker, Wednesday, October 18 marked seven years since leaders from around the world met to discuss the United Nations report on our common future.

The report confirmed the global confrontation between human activities and the environment. It made an urgent plea for shifting to sustainable practices.

There has been much talk in those seven years. Some efficiencies have been gained in the way we do things. We are a little less wasteful and we recycle a whole lot more, but the basic patterns of our society remain unchanged and our long term well-being is seriously threatened.

Part of the problem lies with the lack of clarity of the term. People interpret it in different ways and as a result sustainable development is implemented in different ways.

A number of government initiatives currently under way must help clarify what is meant by the term in order to ensure a shift toward sustainability. We must ensure that the needs of our future generations are not compromised by our actions.

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[Translation]

### GUN CONTROL

**Mrs. Pierrette Venne (Saint-Hubert, BQ):** Mr. Speaker, despite the Prime Minister's promise at the convention of the Liberal Party of Canada last May, despite the promise repeated many times in this House by the Minister of Justice, Quebecers and Canadians are still waiting for more effective gun control legislation. We knew that this government was inclined not to take action and susceptible to the harmful and hidden influence of lobby groups. But we did not know that this government saw the representations of some major lobby groups as more important than people's safety.

Last week's events in Ontario add to the sad list of victims of this lack of effective gun control.

(1405)

Last weekend, the Prime Minister tried to appear reassuring by saying, "The sooner the better". When? Quebecers and Canadians have been waiting for a whole year.

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[English]

### BLUE RIBBON CAMPAIGN

**Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.):** Mr. Speaker, today we have the opportunity to honour the men and women of the Canadian Armed Forces who perform peace-keeping roles professionally and courageously so far away from home.

It is fitting that our soldiers have earned eight Nobel peace prizes through their participation in 26 United Nations missions. Every day Canadian peacekeepers earn the respect of the world, but still the awareness of Canadians at home is low.

With this in mind, Mrs. Jocelyn Fleurant of British Columbia, a courageous mother of one of our peacekeepers, launched the blue ribbon campaign.

Mrs. Fleurant has distributed 44,000 blue ribbons for this special day. In a letter she writes: "We should all stand up and be proud and unite our voices to give Canadian peacekeepers the recognition they deserve".

I call on every member of this House to honour these Canadians who serve us so well. Wear your blue ribbon today, show them we care and wear it with pride.

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#### IRVING OIL REFINERY

**Mr. Bill Blaikie (Winnipeg Transcona, NDP):** Mr. Speaker, local 691 of the Communication, Energy and Paperworkers Union of Canada is on strike at the Irving oil refinery in Saint John, New Brunswick.

The company has insisted on a longer work week and less pay for overtime. Not only is this an attempt by Irving to exempt itself from national bargaining but it is a good example of how jobs are not being created where they are desperately needed.

Irving could create 30 full time jobs, the equivalent of what is being demanded in terms of longer hours. Instead it is using scabs to do the opposite.

It is about time for all levels of government that have not done so already to bring in anti-scab legislation. Workers who want to increase employment opportunities for the unemployed should not have to go on strike to do so and then have scab labour take their jobs.

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#### BERTRAM BROCKHOUSE

**Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.):** Mr. Speaker, I rise in the House today to pay tribute to a fellow Canadian, Bertram Brockhouse, co-recipient with American Clifford Shull, of the Swedish Royal Academy of Sciences 1994 Nobel prize for physics.

Dr. Brockhouse won this most prestigious scientific award for his pioneering contributions to the development of neutron scattering techniques for studies of matter.

The work for which Dr. Brockhouse was awarded the prize was performed at AECL's research reactors during his tenure at the Chalk River laboratories from 1950 to 1962. His achievements included the invention of the triple axis spectrometer, a powerful instrument which he used with great success investigating the properties of solids and liquids at the atomic level. It is now in use worldwide at every major neutron scattering laboratory.

Dr. Brockhouse thus established for Canada a position of world leadership in the field of neutron scattering. I want to take this opportunity to congratulate him.

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#### TEAM CANADA FIGHTER PILOTS

**Mr. Fred Mifflin (Bonavista—Trinity—Conception, Lib.):** Mr. Speaker, on the weekend Canadian fighter pilots did themselves and their country proud by placing a close second, their best ever performance in the prestigious 40th anniversary William Tell air to air weapons meet in Florida.

Team Canada, made up of pilots from 3 Wing, Canadian Forces Base Bagotville, Quebec was led by Captain Francois Garceau of St. Donat, Quebec who placed second in the top gun competition for pilots with the best overall performance

Captain Marc Charpentier of Lasalle, Quebec won the top shooter competition. Captains Garceau and Charpentier teamed up to win the top element competition.

Canadians are proud of our military men and women who risk their lives every day serving their country in their work and in peacekeeping missions around the world. They are no less proud of Canadian forces accomplishments for achieving top honours in rigorous training competitions.

I am sure I am joined by this House when I say to the pilots and ground crew of Team Canada congratulations to each and every one of you on a tremendous performance and a job well done.

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[Translation]

#### INTERNATIONAL TRADE

**Mr. Mark Assad (Gatineau—La Lièvre, Lib.):** Mr. Speaker, over the next few years, China may become the number one country in the world for exports, and this is very important for Canada, considering that we are a major exporter. The decision made by the Prime Minister to go to China with the provincial premiers is a very important initiative. Indeed, we had to send our top officials to China in order to show that Canada means business when it comes to exports.

(1410)

Consequently, I think the premier of Quebec should reconsider his decision and accompany the Prime Minister and the other provincial premiers to China. It is important that the leaders of a major exporting country such as ours show solidarity in such circumstances.

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#### MANPOWER TRAINING

**Mrs. Francine Lalonde (Mercier, BQ):** Mr. Speaker, this past weekend, the daily *Le Devoir* reminded us of something which, unfortunately, we have known for a long time, namely that Canada has a poor record as regards manpower training. The author of the article even calls Canada the dunce among G-7 countries, as well as the black sheep of OECD.

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In his discussion paper, the Minister of Human Resources Development admits that training programs are in a real mess. Quebec came to that conclusion more than five years ago at the forum on employment and asked for the transfer, to its government, of the whole responsibility for training.

The minister's action should be consistent with his findings, and he should announce, at last, that this responsibility will be transferred from the federal to the provincial government.

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[English]

**INFRASTRUCTURE**

**Mr. Jim Silye (Calgary Centre, Ref.):** Mr. Speaker, as the National Hockey League regular season remains on hold flooding continues to occur in Calgary Centre.

Unfortunately that flooding is not taking place on the ice in the Olympic Saddledome but in the worn out storm sewers of northwest Calgary. Recently Calgary residents had their homes flooded out for the third time this year while the \$8 million infrastructure renovations to the run down, obsolete, dilapidated Saddledome continue without interruption.

This government defined infrastructure as physical assets instrumental in the provision of public services, not private. By the government's own definition this is not infrastructure money but a direct subsidy to private business.

I question the government's sense of priorities when the needs of the sports world outweigh those of the real world.

The only thing that is obsolete and dilapidated in Calgary is not the 10-year old Saddledome but the pork-barrel policies of this Liberal government.

Lest it forget, the debt today is \$535,538,939,082.82.

\* \* \*

**PEACEKEEPING**

**Mr. John Finlay (Oxford, Lib.):** Mr. Speaker, today is United Nations Day. One of the most significant functions carried out by the United Nations was initiated by Lester B. Pearson, a Nobel peace prize winner.

As our minister of external affairs, Mr. Pearson introduced a resolution to establish the first UN peacekeeping force. That force made up largely of Canadians intervened in the Suez Canal crisis. Canada's contributions to world peacekeeping have been outstanding.

This week we are asked to wear a blue ribbon, as my colleague opposite said, to honour the service of United Nations peace-keepers around the world.

On behalf of hon. members I thank Ms. Jocelyn Fleurant of British Columbia for her dedication in promoting this idea and I urge all my hon. colleagues to participate.

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**VIOLENCE**

**Hon. Charles Caccia (Davenport, Lib.):** Mr. Speaker, the shooting at a Brockton school compels us to think about violence and its prevention.

Clearly the possession of handguns is not a right but a privilege which must be tightly regulated. The weapon used at Brockton was illegal. The student fired a gun because he felt threatened economically. He reacted with an unacceptable violent act and ended up in jail.

How can violence be prevented if weapons are available illegally? Would longer sentences curb violence? Apparently not, judging from the United States.

I believe we must look at the root causes of violence, what we teach youngsters including through TV and videos, the adequacy of mental health services, economic and job security, adequate social housing and community services.

Clearly the roots of violence are to be found in society and family. In the end we will be more successful in preventing violence through socioeconomic measures and by doing away with the glorification of violence.

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**GUN CONTROL**

**Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.):** Mr. Speaker, there is a matter of dire urgency that we as parliamentarians must deal with immediately. The urgency is the continuing problem of illegal firearm use on the streets of our country.

While I commend the right hon. Prime Minister for his position of establishing a registry for all firearms in Canada, I believe that more preventive measures need to be taken. The government must introduce deterrents to stop violence on our streets.

(1415)

In April of this year I proposed a mandatory 10-year sentence for anyone convicted of using a firearm in the commission of a crime. I strongly believe this sentence should be in addition to whatever sentence the individual receives for being convicted of a crime.

*Oral Questions*

The Criminal Code has to be amended to include this provision. Until it is done criminals will not get the message.

\* \* \*

**HUMAN RIGHTS**

**Mr. Art Hanger (Calgary Northeast, Ref.):** Mr. Speaker, regarding the rights of same sex couples, the provincial NDP government recently proposed a bill in which gay and lesbian couples would be granted rights which only heterosexual couples now enjoy. The bill did not pass second reading and died.

My personal stand on the issue is that I object to any suggestion which would have homosexual couples treated the same way as heterosexual couples. Although I will fight against any discrimination whether it is on the basis of race, sex, religion or other, I do not believe homosexuals should be treated as families.

“My wife and I do not claim that we are homosexuals. Why should homosexuals pretend they form a family?” That statement is in a letter to a constituent written in June of this year by the Liberal member for Glengarry—Prescott—Russell. Obviously the Liberal whip wants to vote his conscience and according to the wishes of his constituency.

I call on the Prime Minister for a free vote so that the government whip can do just that.

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**ORAL QUESTION PERIOD**

[*Translation*]

**FEDERAL INTELLIGENCE AGENCIES**

**Hon. Lucien Bouchard (Leader of the Opposition, BQ):** Mr. Speaker, on October 19, the Prime Minister said in this House that in his thirty years as a politician, he had never been advised of any spying activities.

Saturday, however, as he left a special cabinet meeting, after questions by the Bloc about the confessions of spy Mike Frost and additional revelations made the day before on the CBC French network's news program, the Prime Minister suddenly announced he had specifically instructed his ministers not to spy on citizens who are conducting legitimate operations.

My question is directed to the Deputy Prime Minister. When was the Prime Minister advised that federal services were spying or had spied on Canadian citizens engaged in legitimate activities?

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Mr. Speaker, that is exactly what the Prime Minister did not say. What he said, what he repeated in the House, what he repeated Saturday and what he repeated to everyone is that he never, never, never was involved in spying on any political party whatsoever. He would appreciate the same

courtesy being extended to all Canadians. That is what he said Saturday and what he said last week, and that is this government's policy.

**Hon. Lucien Bouchard (Leader of the Opposition, BQ):** Mr. Speaker, the Deputy Prime Minister says that the Prime Minister was never involved in spying activities. That is not the question. The question is about the federal government and federal services.

According to official information released in 1991, the CSE's intelligence and security activities are the responsibility of the Privy Council and thus of the Prime Minister. Consequently, the present Prime Minister has direct access to information collected in the past by the CSE.

My question is whether, considering recent revelations, the government has specifically checked with the CSE whether sovereignist figures like René Lévesque, Jacques Parizeau or Louise Beaudoin have ever been under electronic or other surveillance.

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Mr. Speaker, the hon. member's premise is false. Second, Saturday, the Prime Minister himself defended the right of separatists to express their views and do their job in a legitimate manner. I wonder whether the hon. member is referring to what might have been a policy in the past? Does he refuse to take the Prime Minister at his word when he says that all Canadians, including separatists, have the right to do their job without being monitored or spied on? Does he not take the Prime Minister at his word?

(1420)

**Hon. Lucien Bouchard (Leader of the Opposition, BQ):** Mr. Speaker, I do not accept answers that are full of holes and hidden meanings. There are those who know and those who do not want to know. Obviously, the Prime Minister and the Deputy Prime Minister belong to the latter group, those who would rather see no evil and hear no evil.

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

**Mr. Bouchard:** They would rather not see or hear about illegal activities.

I want to ask the Deputy Prime Minister, as a guardian and the government which is also a guardian, in the broader sense, of our fundamental rights, to tell us, and the question is the same one I asked earlier, and I would now like a precise answer: Did the government check with the CSE whether the CSE had ever spied on René Lévesque, Jacques Parizeau or Louise Beaudoin?

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Mr. Speaker, I said Friday, and the Prime Minister said last week and he said it again on Saturday: the CSE has no mandate to spy on any Canadians, including members of the Parti Québécois, the Bloc Québécois, the Reform Party, the Liberals or any political party. They do not have the right to engage in spying. Is that clear?



## Oral Questions

**Mr. François Langlois (Bellechasse, BQ):** Mr. Speaker, my question is for the Deputy Prime Minister.

Saturday, after a cabinet strategy meeting, the Prime Minister tried to minimize the extent of the revelations concerning the spying activities of federal agencies. He said that he was not interested in this kind of thing or in what happened under previous governments, including those under which he served.

Can the Deputy Prime Minister tell us what important piece of news her government has learned lately, which prompted it to give clear instructions putting an end to spying on citizens engaged in legitimate political activities?

[English]

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Mr. Speaker, I realize members opposite are looking for an issue. Let me tell them that they are looking in the wrong place.

There is no smoking gun. The Prime Minister has repeated the position of the government, that the service in question has no legal right to spy on any Canadian, including legitimate political parties.

[Translation]

**Mr. François Langlois (Bellechasse, BQ):** Mr. Speaker, I have a supplementary for the Deputy Prime Minister.

Are we to understand that the instructions the Prime Minister hastily gave this week—end were only aimed at reassuring the public following extremely serious revelations concerning illegal activities on the part of federal intelligence agencies?

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Mr. Speaker, on Saturday, the Prime Minister confirmed, as he did last week, as I did on Friday, as we will undoubtedly do when answering questions tomorrow and the day after, that the CSE does not have the mandate to spy on Canadians. The Prime Minister, true democrat that he is, stressed that no MP, no political party, including separatists, should be spied on. Because he is a real democrat, he is looking forward to meeting the separatists on the battle field, and the real battle field will be the referendum, when they are brave enough to set a date for it.

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[English]

## THE ECONOMY

**Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.):** Mr. Speaker, the C. D. Howe Institute put it bluntly when it said that the 3 per cent of GDP deficit reduction target signalled the

lack of urgency. Many question whether the government will seize the opportunity to get its financial house in order at all.

C. D. Howe, the *Globe and Mail*, the *Financial Post* and other commentators speak for a growing contingent that criticize the finance minister for not moving decisively toward the goal of a zero deficit.

The economic growth which Canada temporarily enjoys affords the government a great opportunity to put its fiscal house in order. I ask the finance minister: Will the government abandon its timid deficit reduction target of 3 per cent of GDP in favour of the more ambitious target of eliminating the deficit by the end of its current term in office?

(1425)

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.):** Mr. Speaker, the C. D. Howe Institute has made a very constructive contribution to the debate. I would only hope the Reform Party might emulate the C. D. Howe Institute and attempt to make a constructive contribution to the debate.

Let me simply say that we are going to stay with our 3 per cent target because it is by far the best way to keep everybody's feet in the fire. As the hon. member knows, our ultimate goal is to eliminate the deficit.

**Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.):** Mr. Speaker, I assure the finance minister that the Reform Party is doing all it can to help him to convince his caucus to move in the right direction and reduce government spending.

The minister's plan to trim the deficit will in three short years add \$100 billion to our debt and increase the annual interest payments from \$40 billion to \$50 billion. If the government cannot do better than that we will be in a disastrous position when the business cycle delivers its next economic downturn, a recession.

Because our economy is not recession proof, is the finance minister willing to risk the economic consequences of going into the next recession with a \$25 billion deficit, a \$50 billion yearly interest bill and a \$630 billion total national debt?

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.):** Mr. Speaker, it is quite obvious the hon. member opposite watched the presentations last week. He now seems to have demonstrated an understanding of compound interest for which I would congratulate him.

That being said, instead of planning for the next recession, perhaps the hon. member and his party might emulate the C. D. Howe Institute he cited in his preamble and begin to make constructive suggestions on how we might hit the target.

*Oral Questions*

**Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.):** Mr. Speaker, the finance minister knows well we have tabled plans that would help him to accomplish the goal he has asked us to accomplish. We are willing to work constructively.

It took a year for the minister to admit that the Reform Party was on the right track and he was on the wrong track with regard to meeting his wimpy deficit targets. I hope he takes our advice a little more quickly this time.

The minister has set aside a contingency fund of \$3 billion for the 1996–97 fiscal year. If the finance minister commits this fund to deficit reduction he will only be halfway to meeting his target.

**The Speaker:** The questions are little long today, probably because it is Monday. I would ask the hon. member to put his question forthwith.

**Mr. Hermanson:** Is the finance minister looking for cuts exclusive of the \$3 billion contingency fund he has, or are his deficit reduction goals so timid that he is banking on the contingency fund to meet his deficit reduction target?

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.):** Mr. Speaker, the answer to the member's question is on page 10 of the grey book. I would suggest that he read it. It is only a paragraph and a half. If he reads the rest of the book I am sure he will find the answers to a number of other questions he raises.

I would like to say one thing. The questioner has said that the Reform Party has tabled its plans so that we might see them. We have given members of the Reform Party an opportunity here in the prebudget debate; they had absolutely nothing to say. They have had the summer and they are now sitting on the finance committee.

The Reform Party has not tabled any plans. It has not given us any suggestions. It has done nothing but engage in empty rhetoric.

\* \* \*

[*Translation*]

**COMMUNICATIONS SECURITY ESTABLISHMENT**

**Mr. Michel Bellehumeur (Berthier—Montcalm, BQ):** Mr. Speaker, my question is for the Deputy Prime Minister. The Communications Security Establishment concluded co-operation agreements to exchange information with intelligence services in seven foreign countries. The establishment conducted electronic surveillance of two ministers in Mrs. Thatcher's British government, at the request of Mrs. Thatcher herself.

Can the Deputy Prime Minister confirm that the directives supposedly given last weekend by the Prime Minister also

include forbidding the Communications Security Establishment to have others carry out its dirty work of electronically spying on Canadian citizens?

(1430)

[*English*]

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Mr. Speaker, unfortunately, the member is qualifying his questions on the basis of an uncorroborated book which has already been characterized by the Prime Minister of Britain as claptrap.

[*Translation*]

**Mr. Michel Bellehumeur (Berthier—Montcalm, BQ):** Mr. Speaker, can the Deputy Prime Minister tell us if she checked the accuracy of allegations that the Communications Security Establishment conducted electronic surveillance of two ministers in the British government led by Mrs. Thatcher, and what did the CSE get in return?

[*English*]

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Mr. Speaker, these unfounded allegations were the subject of an analysis by the Prime Minister of Britain who himself characterized them as claptrap.

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**PUBLIC SERVICE**

**Mr. Chuck Strahl (Fraser Valley East, Ref.):** Mr. Speaker, my question is for the minister for renewal in the public service. Will the minister give us a date for the tabling of his public service program review?

**Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.):** Mr. Speaker, the program review is not something for tabling.

The member should have checked what I said at the recent press conference where I indicated exactly what it is. The program review is a series of reviews by a cabinet committee that will make recommendations that will fit into the budgetary process. The program review at present has not yet come to conclusions but we are working to be able to make them within the next few weeks to the Minister of Finance.

**Mr. Chuck Strahl (Fraser Valley East, Ref.):** Mr. Speaker, on November 5 of last year the minister promised renewal in the public service. In March he launched his program review. It is almost 12 months later and surprise, surprise, there is still no review evident. One year later it is like every other Liberal policy. It has been reviewed, revisited, rehashed and reduced to vague generalities.

*Oral Questions*

The departments have already submitted their workforce adjustment plans to the minister. Will the minister release these departmental plans right now since I believe they will be a significant factor in the upcoming social policy review?

**Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.):** Mr. Speaker, the program review itself is not an input into the social policy review. It is a parallel path.

The member is confusing this with the agency review which so far has permitted us to abolish 21 agencies and more than 275 GIC appointments with the program review which is part of the budgetary process. The budget happens once a year. When one starts reviewing programs for the next budget, obviously one does it right after the previous budget and it is going to last a year.

The member will have to wait until the budget of the Minister of Finance to know the conclusion.

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[Translation]

**COMMUNICATIONS SECURITY ESTABLISHMENT**

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, in response to questions from the Leader of the Opposition, the Deputy Prime Minister said on a number of occasions that the CSE is neither authorized nor mandated to spy on political figures. Nor was the RCMP authorized to commit crimes in 1970, but this did not stop it from doing so just the same, and under a Liberal regime at that.

We do not want to know whether the CSE is authorized or mandated to do it, but if it did do so. Can the Deputy Prime Minister, from her seat, assure us that it did not? Can she give us this assurance?

[English]

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Mr. Speaker, the member talks about what happened 24 years ago.

What happened 24 years ago resulted in a royal commission and substantial changes to the Canadian intelligence security service. What is happening today is that the CSE is governed by the laws of Canada, prohibiting it by law from spying on Canadians. I cannot see any clearer than that.

The Prime Minister repeated his assurances on the weekend as I repeated in the House last week. There is absolutely no mandate for the CSE to be engaged in spying on Canadians.

(1435)

[Translation]

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, does the Deputy Prime Minister realize that her very efforts to respond in a roundabout way in order to evade the question, as other government members have, are in themselves an admission of the fact that sovereignist figures in Quebec have indeed been spied on? Otherwise, let us hear her state clearly, from her seat, whether they have or not. Yes or no?

**Hon. members:** Hear, hear!

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Mr. Speaker, whether I state it on Thursday, Friday, Saturday, Sunday or Monday, in French or in English, the fact remains that the CSE does not have a mandate to spy on Canadians. I might add for the benefit of the hon. member opposite that, personally, the only spy I have known in the past was Claude Morin.

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[English]

**IMMIGRATION**

**Mr. Art Hanger (Calgary Northeast, Ref.):** Mr. Speaker, immigrant sponsorships are breaking down and this minister has not done a thing to enforce them.

Peel region in Ontario recently reported to the minister that up to 70 per cent of sponsorships are breaking down and ending up on welfare. Even the *Globe and Mail* is admitting that sponsorships, despite being a contractual agreement, are not worth the paper they are written on.

Can the minister of immigration tell this House if he thinks the enforcement of this program has failed?

**Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.):** Mr. Speaker, the family sponsorship breakdown is of concern. Certainly the consultation process has said that very loud and clear.

Currently roughly 14 per cent of family class sponsorships do break down at an estimated cost of roughly \$700 million to the federal and provincial treasuries. It is something that I think is of concern. I ask the member to await November 1 when the government will present its levels for immigration in 1995. We will very clearly address this concern.

**Mr. Art Hanger (Calgary Northeast, Ref.):** Mr. Speaker, is the minister aware of a family which has collected more than \$106,000 in unemployment insurance and welfare in the last five years and now has sponsored five more relatives, or a man who was illegally collecting unemployment insurance who just sponsored his wife? These applications were approved by the Immigration and Refugee Board.

*Oral Questions*

If the minister does not think that the sponsorship program is failing, then will he recognize that the Immigration and Refugee Board has once again proven its stupidity and should be scrapped?

**Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.):** Mr. Speaker, talking about stupidity, I think the member should listen to the answer before reading his second question. I said very clearly that family—

**Some hon. members:** Oh, oh.

**The Speaker:** I am sure the hon. minister will want to rephrase his answer just a little bit at the beginning of the answer.

**Mr. Marchi:** I thought since he was throwing the word over we might have a tit for tat, but I respect the Chair's position.

What I want to say, which I said in the first answer very clearly, is that the government is concerned about the minority, nonetheless a very expensive proposition for taxpayers to pick up. I have met with officials from the region of Peel in my office. I have discussed the problem with them. Our officials have discussed the problem with them. We do have a solution and it will be announced on November 1.

\* \* \*

[*Translation*]

**COMMUNICATIONS SECURITY ESTABLISHMENT**

**Mr. Jean-Marc Jacob (Charlesbourg, BQ):** Mr. Speaker, my question is for the Minister of National Defence.

Since last week, the minister is refusing to provide any information on the activities of CSE, as though the subject were taboo. I hope that I will have more luck than my colleagues and that the minister will give a real answer.

Will the Minister of National Defence tell us who is the director of the Communications Security Establishment? Who is responsible for the 1,800 employees of that agency?

(1440)

[*English*]

**Hon. David Michael Collette (Minister of National Defence and Minister of Veterans Affairs, Lib.):** Mr. Speaker, I think that the government has been quite forthcoming with answers on this particular matter given the fact that we are dealing in areas which are somewhat sensitive and deal with our relations with our allies.

With respect to the CSE in particular, it is a fully constituted part of the Department of National Defence. Its budget is included in the departmental estimates. If the hon. member has any specific questions he can come to the defence committee and ask questions.

The Minister of National Defence is accountable to the House of Commons. Certainly I am prepared to answer questions in committee on the security establishment.

The answers that were given by the Deputy Prime Minister and the Prime Minister are accurate. The CSE complies with the Charter of Rights and Freedoms, the Criminal Code, the Privacy Act and Canadian human rights legislation. In fact in 1987 the former privacy commissioner, Mr. John Grace, had an examination made of CSE's activities and found that all was in order and all was compliant with Canadian law.

[*Translation*]

**Mr. Jean-Marc Jacob (Charlesbourg, BQ):** Mr. Speaker, I guess I do not have any more luck than my colleagues. It seems to me that I did not get an answer. My supplementary question is as follows: Who is in charge of the Communications Security Establishment and its 1,800 employees?

[*English*]

**Hon. David Michael Collette (Minister of National Defence and Minister of Veterans Affairs, Lib.):** Mr. Speaker, I gave the answer. I am sorry the hon. member does not understand it.

The Communications Security Establishment reports to the Minister of National Defence who is a member of cabinet and who answers to this House of Commons.

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**AIRPORTS**

**Mr. Dan McTeague (Ontario, Lib.):** Mr. Speaker, my question is for the Minister of Transport.

I recently attended a Transport Canada public meeting in my riding on the southern Ontario area airport study. This study is in part examining if there is a need for a future airport on federal lands in Pickering, a legacy that has been going on for some 25 years. Related to this is the question of what will be done with the lands which have already been declared surplus.

What assurance will the minister give this House that the result of the study will be made public before a final decision is made on Pickering airport and of course on the surplus lands?

**Hon. Douglas Young (Minister of Transport, Lib.):** Mr. Speaker, the study is ongoing. It should be concluded fairly soon. I am prepared through you, Mr. Speaker, to undertake to the member and to the House that as the reports are completed we will make them public. They may not all be done at the same time. There are technical studies being done and whether they have to do with the airport construction in the future or the disposal of surplus lands. We will make the reports public as soon as they are completed.

*Oral Questions***NATIONAL DEFENCE**

**Mr. Jack Frazer (Saanich—Gulf Islands, Ref.):** Responding to questions on the Lagueux report, the Minister of National Defence claimed that the report in no way implicates any of the senior officials in the department. Yet two directors general were reprimanded as a result of it. One subsequently committed suicide. The other was promoted one category and still occupies that same position. In fact, access to information reveals that two years after the Lagueux report this individual was still regularly approving contracts for amounts in excess of her authorization.

Will the minister explain these inconsistencies in his response, especially since he claimed that the problems and the individuals concerned had been dealt with?

**Hon. David Michael Collette (Minister of National Defence and Minister of Veterans Affairs, Lib.):** Mr. Speaker, I should emphasize that all of these activities predate this government. We are very concerned with ensuring that all matters pertaining to the administration of the Department of National Defence are done in an appropriate manner.

With respect to my comments earlier in the House, we were talking in the context of the deputy minister and assistant deputy ministers. I do recognize that senior people at the level of DG have been disciplined. There was one unfortunate occurrence to which the hon. member referred.

I should also say, because the hon. member and his colleagues seem to believe there is something being hidden, that the Auditor General has been fully aware of this file for the past year or two. He has been kept fully abreast of all the details pertaining to this matter. Indeed he has the right to initiate any inquiry—in fact, I would invite him to do so—if he feels that the actions being taken internally are insufficient.

Those actions have involved the RCMP, the Public Service Commission and other internal investigative organizations in government. It means that if the Auditor General wishes to initiate an investigation he may do so. All he has to do is let our officials know.

(1445)

**Mr. Jack Frazer (Saanich—Gulf Islands, Ref.):** Mr. Speaker, the Auditor General, as we have been informed in this Parliament, is an extremely busy individual. I doubt that he has time to isolate individual investigations of this sort.

I am informed from within the department that this situation has resulted in poor morale and even fear of retribution for people who speak out.

How can the minister justify failing to commission a professional, independent, clearly unbiased investigation into these areas of defence department management procedures? By refus-

ing to take such action he is lending credibility to the perception that something is very wrong in his department.

**Hon. David Michael Collette (Minister of National Defence and Minister of Veterans Affairs, Lib.):** Mr. Speaker, first of all concerning the Auditor General, at any one time in national defence the Auditor General is conducting between seven and twelve audits.

The Auditor General has known about the situation in that particular administrative unit for a couple of years and has been briefed on how the department is dealing with it. At no time has he felt that a further investigation was warranted. If the Auditor General wishes to conduct such an investigation, he may certainly do so.

As far as morale is concerned, Mr. Speaker, when you get a unit with about 45 or 50 people in it, where there have been allegations of misappropriation of funds, where there have been allegations of harassment and improper contracting practices, where a criminal charge has been laid and somebody is convicted, of course that hurts morale.

I would ask the hon. member not to contribute to trying to make morale, which is otherwise good in the national defence department, seem any less secure than it really is by the misguided charges that he and his colleagues have been making over the last number of weeks.

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[Translation]

**COMMUNICATIONS SECURITY ESTABLISHMENT**

**Mr. Jean-Paul Marchand (Québec—Est, BQ):** Mr. Speaker, on Saturday, the Prime Minister issued instructions putting an end to the surveillance activities of the Communications Security Establishment involving thousands of Canadian citizens on whom the CSE has important data banks collected through listening in on their telephone conversations.

My question is for the Minister of Defence. Can he tell us exactly what action he has taken, following the Prime Minister's instructions, to put an end to the operations of the "French Problem" unit or any other unit of the CSE involved in the same kind of activities?

[English]

**Hon. David Michael Collette (Minister of National Defence and Minister of Veterans Affairs, Lib.):** Mr. Speaker, with respect to the Prime Minister's remarks on Saturday I believe that the Deputy Prime Minister's response covered that quite adequately.

As far as the operations of CSE are concerned, we do not target the communications of Canadians, pure and simple. Beyond that I will not say anything else.

*Oral Questions**[Translation]*

**Mr. Jean-Paul Marchand (Québec-Est, BQ):** Mr. Speaker, does the minister intend to take action against those who were involved in illegal surveillance operations?

*[English]*

**Hon. David Michael Collette (Minister of National Defence and Minister of Veterans Affairs, Lib.):** Mr. Speaker, I totally reject any implication carried in the hon. member's question.

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**GUN CONTROL**

**Mr. Jim Abbott (Kootenay East, Ref.):** Mr. Speaker, because the Prime Minister clearly does not understand the problem, we have the headline in Toronto's Saturday *Star* that says: "Every gun will be registered". However we have the real story on page 15: "Smugglers swell gun numbers. I can sell everything I can get, underground dealer says".

My question is for the Minister of National Revenue. When is he going to wake up and start to do something about the real problem, which is illegally smuggled weapons?

**Hon. David Anderson (Minister of National Revenue, Lib.):** Mr. Speaker, the hon. member may have forgotten that on February 8 the government launched a quite dramatic 25 per cent increase in surveillance at the border. This was in relation to cigarettes and alcohol, but concerned as well smuggled weapons.

We have expanded quite dramatically this year the resources going into the protection at the border posts from these various items which we are attempting to pick up.

(1450)

**Mr. Jim Abbott (Kootenay East, Ref.):** Mr. Speaker, on Friday last week some people from the minister's office were in my office. They gave me the same answer the minister just gave the House: There really is no problem.

The problem is that we have people dying on the streets of Canada. The problem is being fed with weapons that will never be registered.

Will the minister at least undertake a review of the processes so that the problem can be uncovered? Thousands of weapons are coming across the border illegally.

**Hon. David Anderson (Minister of National Revenue, Lib.):** Mr. Speaker, the review the member requests is already under way. It is well known that myself, the Solicitor General and the Minister of Justice are attempting to do whatever the government can to produce changes to our existing system so that we can decrease the number of smuggled weapons.

I would remind the hon. member of a fact of which he appears unaware. We have 130 million border crossings annually between the U.S. and Canadian border. The United States is a country which has very widespread ownership of handguns in particular, but also other weapons. It is extremely difficult to interdict the weapons coming across under normal circumstances. We have to have a concerted program involving the American authorities, ourselves and many government agencies to reduce the number of weapons.

We certainly wish to do everything we can to reduce the number of smuggled weapons coming into Canada.

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**ULTRAMAR CANADA**

**Mr. Ron MacDonald (Dartmouth, Lib.):** Mr. Speaker, my question is for the Minister of Industry.

Ultramar Canada has begun the decommissioning of its eastern passage refinery in Nova Scotia even though its request to do so, which was filed with the Bureau of Competition Policy, is in legal limbo and even though it is refusing to negotiate seriously with a potential purchaser who could keep the plant open and maintain competition as well as nearly 150 jobs.

Since it is clear by the time the bureau may get to rule that this plant may be nothing but a pile of scrap metal, is there anything the minister can do to expedite this situation and if not, why not?

**Hon. John Manley (Minister of Industry, Lib.):** Mr. Speaker, first let me say that I share the member's concern for the employees and their families at this Ultramar facility, concerns that he and his colleagues from the Halifax area have raised repeatedly with me over the last few months.

As he is aware, the undertakings to the director of investigation and research by Ultramar are a contractual matter to be dealt with by the director. Under the Competition Act the director is an independent law enforcement officer and I cannot interfere with that role.

The legal action initiated by the Attorney General of Nova Scotia against the director and Ultramar has had the unfortunate effect of preventing the director from carrying out his responsibilities to deal with the issues of material adverse change and the sale process relating to the refinery.

Given that the matter is before the courts and despite my real concern for the employees involved, it is inappropriate for me to comment further at this time.

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*[Translation]***COMMUNICATIONS SECURITY ESTABLISHMENT**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, my question is directed to the Deputy Prime Minister. On October 20, the Deputy Prime Minister said in this House,

*Oral Questions*

and I quote: "The activities of the CSE are in no way directed to Canadians, including people involved in politics".

Does the Deputy Prime Minister agree that the personal information collected by the CSE is covered by a non-disclosure exemption pursuant to Order in Council?

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Yes, Mr. Speaker.

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, how could the Deputy Prime Minister be so positive and rule out any possibility of spying on Canadian citizens, when the exemption granted the CSE regarding non-disclosure of personal information covers the entire category "general public", in other words, everyone in Canada?

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Mr. Speaker, what I said Friday about the CSE is true. They are covered by the Criminal Code. They are subject to all Canadian laws, including the legislation to which the hon. member referred. Otherwise, if they were not covered, how could they be exempted?

\* \* \*

(1455)

[English]

#### CANADIAN RADIO-TELEVISION AND TELECOMMUNICATIONS COMMISSION

**Mrs. Jan Brown (Calgary Southeast, Ref.):** Mr. Speaker, my question is for the Minister of Canadian Heritage. The president of the CRTC has said that if private carriers do not voluntarily choose to carry French CBC Newsworld then action will be taken to impose it.

This decision is another example of misguided government intervention. Why will the minister not let the free market determine what Canadians want to see on television?

**Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.):** Mr. Speaker, there has been no Canadian government intervention at all. There has been a commitment by the president of the CBC and comments made by the president of the CRTC. That is all.

**Mrs. Jan Brown (Calgary Southeast, Ref.):** Mr. Speaker, this action is nothing more than a \$32.7 million dollar tax grab to add to the already burgeoning \$1.1 billion CBC subsidy. The federal government is making all Canadians pay for a system they may not even use. How can the minister justify this?

**Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.):** Mr. Speaker, I think our colleague is very confused. A while ago the CBC applied to provide a certain service on specialized channels. The CRTC has granted that application. This is in keeping with the law. The CRTC is an arm's length

agency and the Canadian government, including the minister, is not interfering in the process. There is no grab there.

I can understand that our colleague would have difficulty accepting all of this, because as she said in *Hansard* at page 6986: "I agree with nothing".

\* \* \*

#### LEGAL ASSISTANCE AGREEMENT

**Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.):** Mr. Speaker, today Canada and India signed a treaty on legal assistance between the two countries on criminal matters.

My question for the Solicitor General is in the form of concern on the part of some Canadians. They are concerned whether the treaty will in any way impinge on their basic rights and in any way subject them to more harassment.

**Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.):** Mr. Speaker, the mutual legal assistance agreement signed today between Canada and India is not intended to infringe basic rights or create harassment of anyone. It is designed to intensify co-operation between law enforcement authorities in Canada and in India. It is similar to agreements we already have with a number of other countries.

\* \* \*

#### SOCIAL PROGRAM REFORM

**Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP):** Mr. Speaker, I have a question for the Deputy Prime Minister. It is about a contradiction in the social security green paper. There is much rhetoric in the paper and from the government generally about the importance of education, skills upgrading and training, with which we all agree.

Could she indicate how her government's policy is designed to double or triple tuition fees and put student loans through the roof? How can that policy support the notion of Canadians becoming more educated, better trained and having their skills upgraded?

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Mr. Speaker, I want to thank the hon. member for the question because I believe him when he says that he is interested in embarking on a real public exercise. I know he will join me in congratulating the Minister of Human Resources Development, who got a real vote of confidence from the people of Canada with the survey on the weekend that showed an overwhelming number of Canadians support real change.

The minister is proposing a real change from the current system whereby we would be putting dollars directly into the hands of students. We do not want to see the post-secondary system starved. At the present moment if we continue on the downward course of cash transfers, that is exactly what is going to happen.

The minister has proposed a very ingenious way of delivering dollars directly into the hands of students so they can go to the post-secondary institution of their choice.

\* \* \*

(1500)

[Translation]

#### COMMUNICATIONS SECURITY ESTABLISHMENT

**Mr. Jean H. Leroux (Shefford, BQ):** Mr. Speaker, the government claims that no illegal spying is going on. But we do not know who is running the CSE, to whom it is accountable, what kind of a budget it gets or the nature of the agreements it enters into with foreign intelligence agencies.

Can the Deputy Prime Minister give the people of Quebec the assurance that the upcoming referendum debate will not be conducted under the aura of espionage, as was the case previously?

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Mr. Speaker, the Prime Minister himself stated over the weekend that he wants to fight the referendum battle on the real issues, the issue of jobs, of economic growth, of hope for Quebecers within Canada. As for myself, I cannot wait for the separatists to have the courage to call the referendum instead of making up stories about the CSE.

\* \* \*

[English]

#### SMALL BUSINESSES

**Mr. Werner Schmidt (Okanagan Centre, Ref.):** Mr. Speaker, my question is for the Minister of Industry.

After six months of co-operation and hard work by all members of the standing committee including all parties in the House, the report was tabled last week. Many of the recommendations will be of great benefit to small businesses across Canada.

Will the minister commit to the House when he will implement the recommendations in the report?

**Hon. John Manley (Minister of Industry, Lib.):** Mr. Speaker, first I thank the hon. member and his colleagues in the Reform Party as well as in the Bloc Quebecois for their work together with members of the government on producing a report which is virtually unanimous in all of its recommendations. It makes a real contribution.

I agree with many of the recommendations in the report. I hope to be able to act on some of them very quickly. We will of course respond to the report in the normal course within the

#### Routine Proceedings

timeframes required. Some will require more study; some will require discussion with the Minister of Finance. But some, as I said, I hope to implement very soon.

\* \* \*

#### PRESENCE IN THE GALLERY

**The Speaker:** I draw the attention of hon. members to the presence in the gallery of the hon. Shankarrao Bhaorao Chavan, Minister of Home Affairs, India.

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

#### ROUTINE PROCEEDINGS

[English]

#### GOVERNMENT RESPONSE TO PETITIONS

**Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 60 petitions.

\* \* \*

[Translation]

#### UNITED NATIONS DAY

**Hon. André Ouellet (Minister of Foreign Affairs, Lib.):** Mr. Speaker, today, October 24, is United Nations Day. Forty-nine years ago, on October 24, 1945, the Charter of the United Nations came into effect.

(1505)

This anniversary is cause for special celebrations as it marks the beginning of the 50th year of operation of this organization.

I wish to thank all the Canadian men and women who have contributed over the past 49 years to building this great international organization. I am particularly grateful to those who promoted its growth over the years, as events unfolded, ensuring that it remain an organization concerned with meeting the major challenges of modern-day and with working relentlessly to promote international peace and security.

Allow me to take this opportunity to emphasize the outstanding contribution of the men and women who risk their lives to defend the principles the UN stands for. I am thinking in particular of the 2,745 or so members of our Canadian Armed Forces and Royal Canadian Mounted Police serving under the UN flag in more than nine peacekeeping operations around the world.



*Routine Proceedings**[English]*

I also thank the United Nations Association in Canada which through its efforts has made the work of the United Nations organization known to the Canadian general public.

During this year of celebrations which begins today the association would be doubly involved on the Canadian scene. On one hand, it will continue its daily work and, on the other hand, via the Canadian committee for the United Nations 50th anniversary, will co-ordinate the activities that will take place throughout the year in commemoration of this important event.

The field of activity covered by the United Nations is the cornerstone of Canadian foreign policy. The challenges facing the UN in matters of peacekeeping, international security, the promotion of democracy and the struggle for equality and human rights are all considered vitally important in Canadian eyes as well.

More than ever the community of nations and states needs a strong, credible, international institution equipped with the proper tools to face the challenge that awaits it at the dawn of the 21st century.

In closing, I ask all members of the House to support this declaration since it reaffirms Canada's commitment to the values that presided nearly half a century ago over the creation of the United Nations organization, a multilateral institution which today more than ever is a necessary part of internationalism and its ideals.

*[Translation]*

**Mrs. Christiane Gagnon (Quebec, BQ):** Mr. Speaker, on behalf of all Bloc Québécois members, I am pleased to announce that today, October 24, is United Nations Day and marks the 50th anniversary of this international organization.

In a speech he gave in Montreal in May 1992, United Nations Secretary-General Boutros Boutros-Ghali reminded us that "to relate to the universal, one must first be true to oneself. That is why sound internationalization of modern life must be based on a solid sense of identity. Excessive or misunderstood internationalization could destroy cultures and melt them into a standard culture, from which the world has nothing to gain".

This quote is particularly significant today, when the UN will undergo—soon, we hope—an extensive reform. It faces many challenges in the months and years to come.

One of these challenges is the emergence of many new international players the UN will have to deal with. The radical changes in the international geopolitical context have led to a large increase in the number of players. Because of this, the new problems facing the international community have become even more complex and varied.

(1510)

There is, however, something good in this as it reflects the reality, the will of the people.

We are pleased to note that the UN is concerned about a standard culture replacing national identities at a time when the Canadian government shamelessly claims that there is only one culture in Canada, a so-called Canadian culture. It is partly to fight this standardization process that the first action of a Quebec having achieved sovereignty following a fully legitimate process under international law will be to integrate into the complex web of multilateral relations by applying to join the UN.

In closing, I wish to express our sincere thanks to the United Nations Association in Canada and to all Quebecers and Canadians who helped shape the UN and make it so respectable in our eyes.

*[English]*

**Mr. Bob Mills (Red Deer, Ref.):** Mr. Speaker, on the eve of the 50th anniversary of the UN and on United Nations Day, as Reform foreign affairs critic I would like to express my support for the values and goals set forth by the original UN charter: collective security, freedom, justice, and human development.

With each passing decade the universality of these values has become more widely accepted and the UN has played a strong part in this evolution. As we all know, Canada has played a pivotal role in the strengthening and development of the United Nations. Through our innovation in the field of peacekeeping, our dedication to the principle of co-operative multilateralism and our unflinching dedication to world peace and human development, Canadians have provided a fine example for the world community to follow.

I especially thank all those Canadians who have had a direct hand in making the United Nations a success. We thank our peacekeepers, past and present, our UN relief workers and all other dedicated Canadians who have worked to promote the principles and the goals of the UN.

A great deal of work remains, however, and the United Nations must certainly reform in order to modernize and prepare for the 21st century. This is work that must progress quickly. Canada should play a leadership role in making sure that greater efficiency, responsiveness, accountability and transparency are achieved in coming years.

The United Nations can be made better. As members of the House we should rededicate ourselves to making it happen. On its 50th anniversary and United Nations Day let us all stand up for the principles we cherish and for which the United Nations has been fighting for 50 years: international peace and security, human rights and justice, and contributing toward the social progress and better standards of life in larger freedom.

*Routine Proceedings*

**The Acting Speaker (Mr. Kilger):** The member for Burnaby—Kingsway is rising in his place. A request came from the member for unanimous consent to be able to reply to the topic we are presently covering. Is there unanimous consent?

**Some hon. members:** Agreed.

**Mr. Svend J. Robinson (Burnaby—Kingsway, NDP):** Mr. Speaker, I thank the House for permitting me to respond. I will be very brief.

[*Translation*]

I would like to join other hon. members in commemorating United Nations Day and the 50th anniversary of the founding of the United Nations.

[*English*]

On behalf of my colleagues in the New Democratic Party, I join in paying tribute today particularly to those Canadian men and women who have done so much to strengthen and build the United Nations.

Our peacekeepers around the world—and Canada has played a leading role in peacekeeping—have obviously made Canadians very proud, as well as other Canadian men and women who are active within the United Nations structure.

We certainly join with the Minister of Foreign Affairs in urging significant reform of the United Nations. The concept of a standing army that is able to respond at short notice is one that we welcome. As well we believe there should be far more focus on preventive diplomacy, on the opportunity to prevent crises from developing into national and in some cases international tragedies.

(1515)

We also support the concept certainly of an international tribunal to judge war criminals, to bring to justice those responsible for war crimes and crimes against humanity.

Finally I want to say that we in this party strongly support the concept of broadening the base of the United Nations to encompass a United Nations parliamentary assembly. While we recognize that this is a step that may take some time to develop, certainly we want to encourage the foreign minister in the actions that he is taking to develop support for this concept both in Canada and globally.

In closing, once again I want to join in congratulating those involved both in Canada, NGOs in Canada who support the United Nations, and globally—

[*Translation*]

Congratulations to everyone on this 50th anniversary of the United Nations and United Nations Day.

[*English*]

**CANADIAN ENVIRONMENTAL ASSESSMENT ACT**

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.)** moved for leave to introduce Bill C-56, an act to amend the Canadian Environmental Assessment Act.

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

\* \* \*

**PETITIONS**

## YOUNG OFFENDERS ACT

**Mr. Ian McClelland (Edmonton Southwest, Ref.):** Mr. Speaker, it is my pleasure to rise today and present this petition on behalf of citizens from coast to coast who are calling for changes to the Young Offenders Act.

They want an act serious enough to deter young people from committing crime and tough enough to provide real justice.

There are many Canadians from coast to coast who feel that the Young Offenders Act does not meet its objectives and in some instances actually contributes to an increase in crime by weakening penalties against delinquents and does not deal with repeat offenders in a strong fashion.

I have the pleasure of presenting this petition on behalf 284 petitioners.

## ASSISTED SUICIDE

**Mr. Svend J. Robinson (Burnaby—Kingsway, NDP):** Mr. Speaker, I have the honour to present a petition which is signed by hundreds of petitioners from across Canada, and in particular from my own constituency of Burnaby—Kingsway, from Port Moody, from Kamloops and a number of other jurisdictions.

The petitioners draw to the attention of the House the fact that the current Criminal Code denies people who are suffering from terminal or irreversible and debilitating illness the right to choose freely and voluntarily to end their lives with the assistance of a physician.

Therefore the petitioners call upon Parliament to amend the Criminal Code to ensure the right of all Canadians to die with dignity by allowing people with terminal or irreversible and debilitating illness the right to the assistance of a physician in ending their lives at the time of their choice and subject to strict safeguards to prevent abuse and ensure that the decision is free, informed, competent and voluntarily.

*Routine Proceedings*

## HUMAN RIGHTS

**Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.):** Mr. Speaker, I have the honour to present two petitions today from people in my area.

The first is signed by 40 petitioners from New Westminster, Burnaby and the lower mainland. They join with many Canadians who are greatly concerned over the stated government agenda in amending the Canadian Human Rights Act.

They request that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibitive grounds of discrimination the undefined phrase sexual orientation.

## JUSTICE

**Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.):** Mr. Speaker, my second petition is signed by 131 residents of communities in my area.

They present this petition in memory of Dawn Shaw. For their sake I would like to go over some of the things they have mentioned. They are concerned that the present justice system fails to protect the children of our communities who are increasingly becoming victims of sexual assault. Judges should not be allowed to drop sexual assault charges because of a delay in bringing a case to trial. Jail sentences for sexual assault offenders should be lengthened for any person convicted of sexual assault.

(1520)

Community interests should be protected by permitting police to take DNA samples from persons suspected of sexual assault. Sexual offenders should undergo monitoring by police. Pedophiles and sexual offenders should be required to register with police in their community of residence and the police be required to contact schools and agencies.

In memory of Dawn Shaw they request that Parliament enact legislation to change the justice system to provide greater protection for children from sexual assault and to assure conviction of those offenders.

## HUMAN RIGHTS

**Mr. Brent St. Denis (Algoma, Lib.):** Mr. Speaker, I have two petitions today.

One is from several hundred constituents mostly from the western end of my riding near Sault Ste. Marie, Echo Bay and Desbarats. They wish to make the public aware of their deeply held concerns over the subject of same sex legislation.

## ASSISTED SUICIDE

**Mr. Brent St. Denis (Algoma, Lib.):** Mr. Speaker, my second petition is from several dozen constituents from the Elliot Lake area of my riding who wish Parliament to be aware of their deep concerns over the subject of assisted suicide.

## HUMAN RIGHTS

**Mr. Charlie Penson (Peace River, Ref.):** Mr. Speaker, I have before me four petitions that have been signed by 1,101 people in my riding of Peace River. These petitions deal with the subject of extending privileges to same sex couples.

The petitioners request that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval for same sex relationships or homosexuality.

They also ask that the human rights code not be amended to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

I share the views of these petitioners.

## PAROLE

**Mr. Jake E. Hoepfner (Lisgar—Marquette, Ref.):** Mr. Speaker, on behalf of the Canadian Police Association I am pleased to submit a petition with 356 signatures. These petitioners from Manitoba call on the House of Commons to repeal section 745 of the Criminal Code of Canada to ensure that convicted murderers sentenced to life imprisonment of 25 years not be able to apply for parole review after serving only 15 years of their sentence.

I wholeheartedly support these petitioners.

## GUN CONTROL

**Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.):** Mr. Speaker, I rise today to present a petition from residents in Okanagan—Similkameen—Merritt who continue to be concerned about the suggestion of increased legislation for firearms owners.

The petitioners point out that current legislation regulates the acquisition and possession of firearms through a complex, expensive and rigorous regulatory scheme and the petitioners are opposed to further legislation for firearms acquisition and possession. They call on government to provide strict guidelines and mandatory sentencing for the use or possession of a firearm in the commission of a violent crime.

I concur with my petitioners.

## EUTHANASIA

**Mr. Ed Harper (Simcoe Centre, Ref.):** Mr. Speaker, I wish to present two petitions on behalf of the constituents of Simcoe Centre. The petitioners request that current laws regarding active euthanasia be enforced.

## HUMAN RIGHTS

**Mr. Ed Harper (Simcoe Centre, Ref.):** Mr. Speaker, my second petition requests that the Government of Canada not amend the Human Rights Act to include the phrase sexual orientation. The petitioners are concerned about including the undefined phrase sexual orientation in the Canadian Human Rights Act. Refusing to define the statement leaves interpretation open to the courts, a very dangerous precedent to set.

**Mr. Chuck Strahl (Fraser Valley East, Ref.):** Mr. Speaker, I have two petitions today and I am glad you waited for me to the last.

I have the privilege of presenting a petition signed by 174 of my constituents. Their concern has led them to sign a statement which says that the majority of Canadians believe that same sex couples should not receive the same privileges as heterosexual couples. I share their belief that all Canadians are already protected under the current human rights code and that including the undefined phrase sexual orientation is both unnecessary and unwise.

## ABORTION

**Mr. Chuck Strahl (Fraser Valley East, Ref.):** Mr. Speaker, I also have the privilege of presenting a petition signed by 101 of my constituents regarding the issue of abortion and now that an abortion clinic is opening across the street from Parliament the issue is receiving new life and I think a new profile once again.

My constituents request that Parliament act immediately to extend protection to the unborn child.

I share their concern that there is currently no Canadian law that addresses this serious issue.

## MINING

**Mr. Nelson Riis (Kamloops, NDP):** Mr. Speaker, it is my pleasure to present a petition on behalf of a number of residents of Logan Lake and a number of surrounding communities that point out that Canada's mining industry is the mainstay of employment in over 150 communities across Canada.

(1525)

They point out that the Canadian Mineral Industry Federation has proposed a 10-point plan of action to be addressed by both the mineral industry and the Government of Canada to keep mining in Canada.

Therefore, they call upon Parliament to take action that will generate employment in the mining sector, promote exploration, rebuild Canada's mineral reserves, sustain mining communities and keep mining in Canada.

## ASSISTED SUICIDE

**Mr. Nelson Riis (Kamloops, NDP):** On another matter, Mr. Speaker, again petitioners mainly from Kamloops and surrounding communities ask Parliament to ensure that the present

*Government Orders*

provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no change in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

\* \* \*

## QUESTIONS ON THE ORDER PAPER

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

**Mr. McClelland:** On a point of order, Mr. Speaker. I would ask the parliamentary secretary to the House leader if he would be good enough to respond to Question No. 54 on the Order Paper dated May 10. It is my understanding that such questions are to be responded to within 45 days.

**Mr. Milliken:** Mr. Speaker, I recognize the hon. member did star his question. Therefore, a response is required within 45 days.

In the particular case of his question, I have seen the draft response to that question. I was unhappy with the response because the response was a response, but not an answer.

I sent the reply back to the officials concerned and asked that it be improved. A more fulsome answer I think is the word mentioned by the Secretary of State for the Status of Women, and I appreciate her assistance.

I know the hon. member will understand when I say that I sent this question back for a more fulsome reply. When that is forthcoming I will bring it to the House as quickly as possible, and I thank him for raising the matter today.

**The Acting Speaker (Mr. Kilger):** Shall all questions stand?

**Some hon. members:** Agreed.

**The Acting Speaker (Mr. Kilger):** I wish to inform the House that pursuant to Standing Order 33(2)(b), because of the ministerial statement, Government Orders will be extended by 10 minutes.

## GOVERNMENT ORDERS

[English]

## SOCIAL SECURITY PROGRAM

The House resumed consideration of the motion

**The Acting Speaker (Mr. Kilger):** I want to be assured that the hon. member for Simcoe Centre had time to conclude his remarks before Question Period. If not, he would have a few minutes to conclude and then he would be subject to five minutes of questions or comments.

*Government Orders*

**Mr. Ed Harper (Simcoe Centre, Ref.):** Mr. Speaker, I had concluded my remarks just prior to Question Period but I would be prepared to answer any questions.

**The Acting Speaker (Mr. Kilger):** Questions or comments? Resuming debate, the hon. Secretary of State for Multiculturalism and the Status of Women.

**Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.):** Mr. Speaker, I am delighted to address the issue of social security reform. It is a vital one for all Canadians.

[*Translation*]

Indeed, members of this House and the Canadian people face a major challenge: updating our social security system. Based on the opinion polls, I must say that it seems they are ready and they recognize the need.

For 50 years, successive Liberal governments instituted a series of social programs which shared the wealth of this country among all Canadians.

[*English*]

Women have been particularly concerned about this as some of those programs have helped them and their families, their children, get back on their feet after a job loss. Others help some Canadians get training and an education, while others still have come to the rescue of Canadians who have nowhere else to turn.

However, the world has changed faster than our programs have and the system has not kept pace with the dramatic transformation in the economy, in technology, in the Canadian family, in global competition and in our fiscal situation.

Canadian society is still changing. Women play a much larger role in the workforce and in the paid economy than they did some 40 or 50 years ago. The needs of other groups such as ethnocultural communities, indigenous peoples and the disabled have also evolved rapidly over these years.

The workplace is in transformation. As familiar jobs disappear people are forced to work in unfamiliar situations. Many are joining the growing non-standard workforce of part time, temporary home workers or workers who work in their homes and contract work. These people have to do without the security of traditional company pensions and benefit plans.

(1530)

As we shift to knowledge based industries, people need more education, training and continued learning. I have witnessed this transformation in my riding of Mount Royal. During the last recession we experienced our share of factory closures where people saw jobs and some permanent positions banished forever.

In many ways the riding of Mount Royal is a reflection of Canadian society. We are a diverse group of people of all religious, ethnocultural and age groups who live and work together in both official languages. For the most part we have

worked together in harmony, peacefully with good productive lives full of hope and fulfilment.

Now my constituents are doing their best to adapt to our country's new economic reality. Many are succeeding but too many are falling through the cracks. I know that my riding of Mount Royal is not an exception to the rule. The new challenge people face there exists in every major city across the land.

Since 1981 the number of Canadians on social assistance has doubled to just over three million. Canada assistance plan or CAP expenditures have increased from \$2.6 billion to \$8 billion annually. Clearly the social support network has not masked societal changes which have occurred over the past 30 years.

The bottom line is that we are facing a fundamental shift in the way we live and work. Therefore we must redesign our social security program to respond to that shift, building on Canadian values of compassion and shared opportunity. At the same time we must ensure they remain sustainable and affordable.

Combined spending on unemployment insurance and social assistance has grown as a proportion of Canada's economic output by more than 75 per cent between 1972 and 1992. Such increases are simply not sustainable. The federal government now spends over \$38 billion for all social security programs, but it has to spend \$40 billion for interest on our debt.

We are sending that money for the most part to New York, Tokyo and Berlin. This is not the way we want to get our system under control. If we do not get our social security system and others under control, foreign markets will decide what our social programs should look like. That is not what Canadians want.

We want to be able to design our programs for ourselves. Therefore I commend my colleague, the Minister of Human Resources Development, for having the courage to undertake such a fundamental reform of Canada's social programs. I echo his invitation to all Canadians to get involved in this very important discussion, address the green paper, get a copy and work hard to give us the kinds of answers that will reflect their values. I applaud his insistence that our new system should be affordable, effective and fair.

To live up to the minister's commitment we will need social programs that reflect the reality of rural, urban and metropolitan communities. Our social programs must protect those most in need: people who cannot work, people on low incomes in families that are struggling to get by, people who face barriers due to disability or chronic illness, and especially children living in poverty.

We must improve the welfare of our children because 1.2 million of them presently live in poverty. This is totally unacceptable. Children are poor because their mothers are poor. We must therefore ensure that women get the opportunity to train for all types of jobs. We must also help those who rely on welfare to be moved off that cycle.

*Government Orders*

Too many people spend years on social assistance, even though with the right kind of employment and training opportunities they could find work; but they need a proper support system. Too many disadvantaged families get caught in the welfare trap for the very good reason that they seem better off there. That is really not a very sensible way to have the system structured.

(1535)

Our future prosperity requires that all people contribute to the best of their potential in order to fulfil their dreams. We have a responsibility to those who depend on social programs to move from dependence to full participation, for the best social security is a job. The essence of our reform is to get people back to work.

We believe this is the shortest route to prosperity. A strong economy is crucial to the independence and equality of Canadians outside the mainstream, especially women, newly arrived Canadians and other groups.

*[Translation]*

Yes, Mr. Speaker, we must make some difficult decisions. Our choices today will determine the opportunities available tomorrow. The government's No. 1 priority is economic growth and job creation. To succeed in this mission, we must act on many fronts. The reform of social security is one of our most important initiatives in this regard. The reform of our social security system must be based on equality for all Canadians. We absolutely must listen to the communities which for too long have been marginalized in our society: native peoples, newcomers, the disabled and women. The nature and scope of the options we are proposing are fundamental. It is therefore imperative that these groups participate in the consultation process under way.

*[English]*

I strongly urge all groups to participate, particularly women's groups and ethnocultural organizations. I send them a personal message of encouragement. With this reform we will have the opportunity to help shape the future of Canada's social programs together. I believe that groups owe it to themselves and to their constituencies to make the most of this occasion. I urge them not to miss the chance to address this consultation document.

One of the single most important factors to take into account as we examine the green paper is the impact the reforms will have on women. Why? It is because women represent 52 per cent of the population in Canada. Women make an enormous contribution to our society and to our economy, and the future of our children lies in the hands of our women. Today I urge members to consider the important ways to make sure that our new social

security system works particularly for women and children who are our future.

First, we must ensure that the voices of women are heard in the consultation process, in our riding and at the committee, for women's issues are fundamentally society's issues. They are issues that concern every one of us in the House. Women are not special interest groups. They represent diverse backgrounds with a full range of interests and concerns.

To succeed in our mission it is essential that we get their guidance. They have to tell us what kind of social programs would give them a sense of security, a sense of well-being, and contribute to their progress toward equality. Women's groups and organizations have been a most important catalyst for progress on women's equality and to ensure our full partnership and participation in the growth and development of the Canada of tomorrow.

As a result we will all benefit from their work. We have to ensure that organizations representing women's concerns, groups that have limited resources and broad mandates, have sufficient time and support to participate in this critical exercise. The Minister of Human Resources Development has to be thanked for facilitating this process.

Everyone must be able to participate in this consultation process because every Canadian will be affected by the final result. The Minister of Human Resources Development has already spoken with many organizations. He and I will pursue discussions with both women's groups and organizations concerned with poverty.

The second important component to building a social security program that serves everyone is to create a system that is gender sensitive. This means a system that recognizes that women and men in Canada experience life differently.

The discussion paper on social security reform outlines the key life streams of Canadians: work, learning and security. These are areas where women have different and too often disadvantaged experiences. They have a different rhythm of attachment to the workforce.

(1540)

We must make sure changes and initiatives we suggest in these areas reflect that difference, namely child bearing, care for the ill and care for the elderly. The options for reform provide many openings for change. With gender sensitive responses those openings can become doors of opportunity for women and for society. Women may benefit from a review of the unemployment insurance that is sensitive to those in non-standard employment.

We all know the workforce dominated by women and younger Canadians is currently excluded from unemployment insurance coverage. Employment services which are more client centred and user friendly would be better tailored for women.

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Enabling Canadians to benefit from lifelong learning is particularly important to women, especially for those who curtailed their own education and training early in life and/or left the workforce to raise their children, an important function and role in society. Child care is particularly relevant to women whose responsibility for family too often limits their own opportunities.

These examples demonstrate how we can look at every reform option with gender lens to see how it may affect the lives of women.

Lastly today I want to emphasize that to address child poverty we must improve the economic status of women in Canada. The reality is that throughout their entire lives women in Canada are at a higher risk of poverty than men. Large numbers of women live in poverty at some time during their lives. We must recognize the complex interplay of factors that put women and children at risk. Women are still largely responsible for the unpaid work of child care, elder care and housework in the family.

Indeed women are often in a situation that we describe as the sandwich generation. They support their aged parents as well as their children. However women are also increasingly responsible for earning income to keep the family above the poverty line either in two-income families or as heads of lone parent households.

There is a segment of the Canadian women's population that has done quite well. I hope we will see some wonderful improvements. Those are women who have had the benefit of higher education and have benefited from the role that has been played by women's organizations to move toward equality, access and breaking the glass ceiling. They are few and far between and there is much left to do. They can contribute to this discussion as well.

Women remain at a disadvantage in the workplace largely for reasons related to having and raising children. In 1992 women in Canada averaged only 72 cents for every dollar that men made in the workforce. It is a catch 22 for women and it is a recipe for economic dependence and poverty.

A 1990 report entitled "Women and Poverty Revisited" by the National Council of Welfare concluded that the link between motherhood and poverty was clear. According to that report the only safeguard which stands between most married women and poverty is their husbands' incomes. That is not very reassuring.

[Translation]

In fact, the group which is likely to be hit hardest by poverty in Canada is single-parent families headed by women. In 1991, 82 per cent of one-parent families were headed by women. Children who live with a single mother are five times more

likely to be poor than those who live with two parents. Nevertheless, we cannot ask women to remain in precarious family situations just for economic reasons, especially when the woman and children suffer domestic violence or are threatened with it. We must also strive to avoid stereotyping single mothers on welfare.

A study of 150 such women in 1991 by Professor Carolyn A. Gorlick of the University of Western Ontario showed that their average age was 32. Nearly three quarters of them had already worked full- or part-time. Forty-one per cent had a university education.

(1545)

Most had one or two children and almost all had some education or training. As the Prime Minister said so well in Fredericton recently, "The reform is not a question of figures and statistics. It concerns human beings and the challenges they must face every day of their life". So how does one help a single mother make the transition from welfare to employment?

[English]

Yes we need to support this woman with education and training.

**The Acting Speaker (Mr. Kilger):** I was in this situation earlier this day. I know that it is a subject matter of great interest to both sides of the House and 10 minutes is sometimes not a great deal of time on such a substantive issue.

If we could ask the co-operation of members to let the secretary of state conclude her remarks, we will waive the question and comment period.

**Some hon. members:** Agreed.

**Mrs. Finestone:** Mr. Speaker, I did not realize we had gone that long. I appreciate the good grace in this House.

A woman with this kind of education and training upon her return to the work force will likely get a job that is lower paid, of lower status and less secure. She may need language training or Canadian accreditation for education and training from another country. She most likely needs adequate enforced child support payments from her child's father. She will definitely need child care. She needs a workplace that allows her to balance work and family responsibility and she needs social security that recognizes she will live several years longer than most men.

[Translation]

Women have worked for decades to become economically independent, at work and at home. Whatever we do, we must not undermine this hard-won progress to individual financial self-sufficiency. We must recognize the connections between women's economic dependency, inequality and the violence done to them.

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We must support women's individual ability to have control over their own lives.

In closing, I want to emphasize that Canadians believe in the dignity of work and we believe in sharing and in compassion. As a society we recognize the interdependence of economic and social well-being. We know that we cannot have one without the other.

Canada, as it is admired around the world for the way we balance these factors of our collective lives, wishes to continue in that effort. We have worked through times of wrenching change before in our history and we can do it again.

Let me quote our Prime Minister once again, because I think it is important: "Change does not mean changing our values on principles. It means changing programs to meet new needs and new realities in accordance with our values and our principles so together we can build a social security system that includes all Canadians and that contributes to a very strong economy. And together we can build a prosperous nation where difference is valued and everyone is included".

After all, Canadians both men and women, want security, dignity and the opportunity to make a decent living for themselves and for their families. All Canadians want to build a brighter future for our children and ensure that they have every opportunity to prosper.

An effective fair, affordable social security system for all of us will certainly help. We look forward to everyone's participation.

*[Translation]*

**The Acting Speaker (Mr. Kilger):** After listening to an opinion, I think I may have been a little too harsh when I suggested that we eliminate the period for questions and comments, especially since a minister had the floor at the time. Consequently, I will allow one question.

**Mrs. Francine Lalonde (Mercier, BQ):** Mr. Speaker, the Secretary of State spoke from the heart. The problem is that the reform will primarily affect women and not in a positive way. On the contrary, it will have a negative impact on their situation.

Here are just a few examples. The first ones affected by the two levels for UI purposes will be women who, in many cases, hold insecure term jobs—since these are more recent jobs, as you know. Women will be the first ones affected. They will also be the ones affected by the recommendation that the spouse's salary be taken into account when determining UI benefits. Women are also the ones who will be affected by the cuts to social assistance. Moreover, women will not want to get further into debt to get an education.

(1550)

So, women are directly affected and, in spite of the very sensitive comments made by the Secretary of State who has a very kind heart, the fact is that the main objective of this reform is to reduce budgets by \$15 billion over five years. The government may send invitations and hold countless discussions, the fact is that women are the first victims of that reform. The government helps women in a small way but harms them in a very big way.

**Mrs. Finestone:** Mr. Speaker, first it is not true that the government will cut \$15 billion, which I believe is the amount mentioned by the hon. member. This is not true at all and I think the Minister of Human Resources Development provided the real answer. If you read his answer in *Hansard*, you will see that this is not true.

Second, I will admit that there are problems for women and that these problems represent a big challenge. However, the current situation is simply unacceptable. Everything that is in place right now prevents women from moving ahead; it only keeps them in poverty. What I want and what this government wants is to hold an in-depth consultation exercise, especially with women. We want to get their opinion and find out what changes they would like to see. We simply cannot ask women to keep putting up with the system as it is currently structured.

Women cannot rejoin the workforce when they are on welfare, because all the—I was going to say "les stupidités", but I do not know if you say that in French—constraints related to CAP do not give women a chance to go back to work.

*[English]*

It makes them poorer rather than enables them to become active participants in the job market. I would say to all members in this House and in particular to a fervent advocate for fairness for women—

*[Translation]*

I say to the hon. member opposite, to answer her question, that she is right. However, this reform will improve the plight of women; it will not make things worse. I have always insisted that all our initiatives be of benefit to women. If this is not the case, I want women to come and tell us. We will then take a closer look at the issue. I am asking you to help us bring about constructive changes for the future of all Canadian women.

*[English]*

**Ms. Marlene Catterall (Ottawa West, Lib.):** Mr. Speaker, it is a pleasure for me to rise today and compliment the Minister of Human Resources Development for his commitment and contribution in proceeding with the government's job and growth agenda.



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The minister in his discussion paper has given us an opportunity to participate in the revamping of our social security system. We must bring our social programs in line with the realities of today, realities that are tough and constraining, realities that our society can no longer ignore.

Close to 80 per cent of Canadians agree that Canada's social programs are in need of major reform. We are inviting all Canadians to consider and to advise us on how we can improve our programs and make them suitable for the 1990s and into the next century.

[*Translation*]

The Canadian social security system was created a number of years ago to meet the specific needs of a bygone era. Today, the needs are different because society and economic parameters have changed considerably.

(1555)

For example, when the unemployment insurance program was originally developed, it was to give temporary relief to people who had lost their jobs. However, today, Canadians must adapt to an economy which requires fewer workers. Consequently, the Canadian government must provide its people with a different support system for all those who want to enter or re-enter a highly competitive job market.

[*English*]

It is clear to all Canadians that the necessity for change not only applies to our unemployment insurance program but to all our national social programs. The social security system that has provided support to Canadians for decades must now be modernized. Our social programs must be redefined according to the economic and social changes that have affected our society.

However, despite the government's strong determination to pursue a thorough reform of our social safety net, it will strongly abide by the fundamental principles that have guided Liberal governments in the past. Hence, the first and foremost priority of our government is to preserve our traditional and cherished values of justice, of tolerance, of compassion for those who are most vulnerable, while providing to all Canadians the opportunity for the dignity of work.

In helping Canadians to get good jobs we have to consider that nearly half of all new jobs require 16 years or more of education and training. Yet we still have 30 per cent of students dropping out before graduating from high school.

This is one of many contradictions that must be eradicated for the benefit of our social fabric and our economic future. We need to supply better job counselling for unemployment insurance claimants. We realize that basic skills training is essential

for any job and that classroom and workplace training is also a key element for the revival of our workforce.

Canadians think that our social programs are too bureaucratic, inefficient, wasteful and that too many people are put in the position of becoming dependent on them. We are not helping anyone by assuming that some people cannot do anything to improve their state in life. That is exactly what some of our social programs do and it must be stopped.

Our social security system must protect everyone in need. Among them are the people who cannot work, people with disabilities or chronic illness, low income families and children who live in poverty.

In the discussion paper the minister outlines four main objectives for reform: helping Canadians find and keep employment; providing support for those who are most in need; ensuring programs are fair, affordable and effective, while eliminating waste; creating a social environment that fosters independence and mutual responsibility.

[*Translation*]

We want to reform our social system to protect the values we universally hold true, namely equality, freedom, compassion, and mutual support. As a society built on these principles, we have the duty to give all the help we can to those who need it the most.

This means that we must share our resources more fairly. Canada is abundantly rich and, in this, is the envy of the world. Unfortunately, too few Canadians benefit from our country's wealth. This is precisely what we want to rectify with the help of all the people.

[*English*]

We as a government need to address the issues of an economy with fewer jobs, a society with an aging population and a shrinking middle class, and an increased poverty level among our population. I want to take the opportunity to remind the House and Canadians that those who are most in need of social reform are those who are the poorest in our country. That is women and it is children.

(1600)

We have to look at the difficulties that women have to face in this new era. Women make up the majority of lone parents and 60 per cent of them live below the poverty line. Women have to work hard to support their families but face unfair wage gaps compared to their male counterparts. They are still very poorly represented in well paid occupations and positions.

Tragically women who do earn a living, however inadequately paid, may consider themselves lucky because two-thirds of the work of women is unpaid. This reality is unacceptable in a country where equality has always been a basic element of our national values.

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For all these reasons Canadian women are entitled to receive appropriate assistance. For instance affordable child care is more than ever a necessity, not a luxury. Our government recognizes the urgency of the matter and is committed to work jointly with the provinces to increase the number of quality child care spaces across Canada.

Raising the standard of living of women is of crucial importance for the fate of many poor children across the country. We must act now to ease the life of over one million children living on welfare. The number of poor children in our society is increasing not decreasing with our current social programs. Obviously we need an improvement.

I want to say as one who has worked with women and young people living in the social security system that they are the first to recognize the need for changes in the programs, they are the first to recognize the barriers that prevent them from getting the job they need, from getting the training they need. Our system is set up in such a way that to do so they have to jeopardize the financial security of their children and there are not very many women who will do that. Those are the barriers we have to get rid of.

There are other groups in our society still coping with the lack of adequate services, people with disabilities. These people too need greater access to training and to employment related services.

If there is one commitment in this reform, it is the commitment of our government to create opportunity for every one of our citizens who can contribute to the building of our country.

I conclude by reminding the House and Canadians that this is a participatory process. There are a number of recommendations and options in the paper that the minister released two weeks ago. It is important that all Canadians inform themselves of what is in those papers and engage in the dialogue that will happen over the next few months.

This coming Saturday, October 29, in Ottawa West I will be having an all day community consultation. I know that these same kinds of consultations are going on right across the country. With my few remaining seconds I simply remind every organization and every individual out there that their participation in this dialogue is crucial to the future of this country.

[Translation]

**Mr. Osvaldo Nunez (Bourassa, BQ):** Mr. Speaker, the hon. member referred several times to the problem of women. She was very sympathetic to their needs, but what she said is a far cry from what actually happens. What the government is proposing is a direct contradiction of the principles of equality, justice, tolerance and fairness mentioned by the hon. member, especially when we are talking about a group of women with even more

problems, and I am referring to immigrant women, a group I know very well.

I think that when the Liberals were in the opposition, they were far more consistent. Today, they are practising the exact opposite of what they preached in the opposition. It is not a wise decision on the part of a political party like the Liberal Party, the main party in Canada.

(1605)

My question is this: social programs were introduced when Canada was not as rich as it is now. This was years and years ago. Today, Canada is much richer, so why attack these programs today? Why not get the money to finance these programs from the rich and thus avoid cutting the social benefits for which women have fought for generations?

**Mrs. Catterall:** Mr. Speaker, first of all, I would like to deal with women's issues. I think it is very important to stress what I said in my speech. This is a discussion. We have made a number of proposals. I think the question raised by the hon. member is very important and that it has an impact on women and on children as well, to some extent. How can we have a better system? That is a topic for discussion and dialogue with Canadian women. We want to find out what they think about the impact of certain options.

I hope the hon. member will have a chance to discuss the existing system with his constituents who are now on welfare. When he talks to women who are in the system, he will hear about the problems in the present system and the problems that keep them in a state of dependency.

I am not certain that I agree that in the past, when Liberal governments introduced our social programs, the country was poorer. It would be very easy for me to say the problem was created by the previous government, but I will not say that.

We are now in a situation where we spend 40 cents out of every dollar on servicing the debt and, of course, it is unacceptable that we cannot spend these 40 cents on something that would be of far greater benefit to the country and to Canadians.

However, I think it is just a matter of using the resources we have to improve the situation for the people who are in the system, and not leaving them high and dry.

[English]

**Mr. Ken Epp (Elk Island, Ref.):** Mr. Speaker, I have a number of points here but I am going to have to limit it to one because of time. I will do that.

I want to caution the House and the government particularly on the use of statistics. A long time ago I read a book *How to Lie with Statistics*. We often hear that a large proportion of Canada's children live in poverty.

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I deplore children living in true poverty. I need to give members very quickly this anecdote. My son who now is in Rwanda was in southern Sudan a number of years ago. He was working with a relief agency there. When he wrote home he said: "Dad, Mom, we are having great success here. Whereas there used to be 160 children a day dying of starvation, we have brought the number down to 60". He said: "That is a great success". Then he added, referring to our community back home: "Of course by Sherwood Park standards, we have not quite met it yet".

That is so true. In this country, we do not know what poverty is. The statistic that is used by Statistics Canada is that a family is in poverty if its family income is less than half of the median income.

The irony of that is that if the average family income in Canada were to reach \$100,000 then anyone who makes less than \$50,000 would be considered by that definition to be in poverty. Yes, they are making considerably less than the average peers around them but they are not in true poverty. I think we need to be very, very careful.

(1610)

Poverty is also a state of mind. I grew up in a very poor family but we were never poor in the truest sense of the word. We always had the basic necessities of life and we had a family with loads of love. When you have that it is really all that a person needs.

**Ms. Catterall:** Mr. Speaker, I am very pleased to respond to this question. Some of my colleagues will remember that it was a former Tory chair of the committee on employment and immigration that tried to redefine poverty and pretend that poverty went away.

Let me tell the member opposite about the people in my community, the children who start school behind the eight ball because they are identified as poor the minute they walk into the school. They are not as well fed. They do not have the bright and shiny hair. They do not have the nice clothes. Their education is immediately crippled from the day they walk into school.

If we pretend that poverty in this country is not really a problem we will not solve that problem. The victims of not solving that problem are our children. Poor children are much more likely to be involved in serious accidents, to fall seriously ill, to commit suicide, to die, to drop out of school and to end up in jail. What more information do we need to solve the problem of our poor?

[*Translation*]

**Mr. Osvaldo Nunez (Bourassa, BQ):** Mr. Speaker, the issue of social programs is of particular concern to me, as a former labour lawyer in Chile, a 19-year veteran of the FTQ and the

member of Parliament for a modest riding in Montréal-Nord. I must admit that I am very concerned, following the release, on October 5, of the Liberal government consultation paper entitled "Improving Social Security in Canada".

The title of this paper bears little relation to its contents. It is at best an ultraconservative paper. Even the Mulroney government had never dared go as far as this Liberal government of Jean Chrétien and Lloyd Axworthy.

**The Acting Speaker (Mr. Kilger):** I would just like to remind the members that we are supposed to refer to one another by our titles. For example, the right hon. Prime Minister, the hon. Minister of Human Resources Development, and so on. I know that we cannot always show the same consideration to former MPs, but as far as those currently in office are concerned, we must maintain this respect relationship.

**Mr. Nunez:** Mr. Speaker, I was referring to the government of the present Prime Minister and his Minister of Human Resources Development. Now, I must add that, regarding social programs, the Liberals are doing exactly the opposite of what they preached when they were in opposition. I am for social security reform, but true reform designed to improve social security, not to destroy it.

It took decades to build our social security system in Canada. Now, this federal government is trying to dismantle it in a matter of months. The real hidden agenda of the instigators of this reform is to bring the deficit down. Since coming to power, the Liberal government has done its utmost to balance its budget on the back of the disadvantaged. This paper proposes very drastic changes in unemployment insurance as well as in how funding of social assistance and post-secondary education are funded, changes designed to save \$15 billion over the next five years.

In so doing, the government is hoping to reduce the national debt to 3 per cent of the gross domestic product within three years. There is nothing in this paper about the real challenge facing Canada today: job creation. No effort is made to eliminate the very expensive jurisdictional overlaps between the federal government and the provinces.

(1615)

Instead of looking at a fairer taxation system for tax havens, family trusts, etc., he attacks programs protecting the most vulnerable in our society. The government blames the crisis on the poor, the unemployed, the people on welfare, and that is outrageous.

The union movement which fought for and instigated the introduction and improvement of the social security system for generations is now unanimous in opposing and condemning the reform proposed by the Minister of Human Resources Development.

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In Quebec, the presidents of the three central labour bodies—Clément Godbout of the FTQ, Gérald Larose of the CNTU, and Lorraine Pagé of the CEQ—vigorously denounced the federal government's intentions and are preparing a major attack and a joint brief to be tabled soon as part of the consultations held by the Standing Committee on Human Resources Development. Together, these three unions represent over 700,000 Quebec workers.

For its part, the 2.2-million-strong Canadian Labour Congress has launched a vigorous fight against the proposed reform. Its president, Robert White, criticized the discussion paper because it does not set out any job-creation measures. He added, "The government seems to think that by training workers and cutting their UI benefits, these people will find non-existent jobs as if by magic. The concept of compulsory work or enforced volunteerism outlined in this paper is an insult to the hundreds of thousands of Canadians who have lost their jobs".

The thousands of unemployed workers and welfare recipients, as well as all the people I consulted in my riding of Bourassa, strongly oppose cutting and dismantling our social programs. Montréal-Nord is a city whose population is getting more diversified, older and poorer. In the last two years, the amount of social benefits has increased by 21 per cent, while 34 per cent of all welfare applications are associated with job losses. The unemployment rate in Montréal-Nord has reached 30 per cent including welfare recipients able to work.

My riding and the City of Montreal are now among the largest concentrations of poor people in Canada. Those hardest hit by this situation are members of visible minorities, young people, women and seniors, who are very numerous in my riding.

I take this opportunity to denounce VIA Rail's recent decision to immediately eliminate 478 jobs including 273 in Montreal. In December 1993, the company had already announced that it would lay off 250 workers. Most of these workers are members of the Canadian Auto Workers, which is my union. These people want to work.

[English]

These people have decided to work and to be gainfully employed. They are particularly worried about the proposed modification to the unemployment insurance system. The people of my riding are concerned about the intention of the federal government to take into account their spouse's income to calculate the level of allowance.

If enacted these reforms would prove to be very harmful for women and will endanger the progress toward equality which an entire generation has achieved.

Unemployment insurance is one of the pillars of our social security system. It is entirely financed by the contributions of

workers and employers. Employees pay premiums to insure themselves against loss of income in the event of the loss of a job. Thus the government has neither the authority nor the justification to take from these workers the compensation that is rightfully theirs.

(1620)

[Translation]

We must say that, on the whole, Canada's social programs are already below the average for industrialized countries. In fact, Canada spends \$18 billion less every year on social expenditures than the average of OECD countries. This shortfall shows up especially in child care services, the public pension plan and disability insurance. In several areas, Canada's social programs are below international standards.

For all these reasons, like my party, the Bloc Québécois, the labour movement and the people of my riding, Montréal-Nord, I oppose and strongly denounce the social security reform advocated by the federal government.

[English]

**Mr. Sarkis Assadourian (Don Valley North, Lib.):** Mr. Speaker, I am very happy to see the United Nations continues to demonstrate our position to the rest of the world: Canada is the best country in the world in which to live.

When was the last time the government gave the opposition a chance to discuss social policy reform? When was the last time any reform policy met the approval of 91 per cent of the population? When was the last time one year after coming to power a Prime Minister enjoyed 42 per cent popular support, personal support? When was the last time the opposition leader received only 7 per cent popular support?

Obviously, that says something about the good job the government is doing.

This morning I was in my riding of Don Valley North. We just had the ground breaking ceremonies for one of the projects that will create jobs in my riding. It is one of four projects and it will create about 111 brand new jobs. These people will have food on their tables. They will be able to feed their children, not go on welfare or UI. That is the job the government is doing to provide Canadians better opportunities and a better future.

The previous government had a committee, as was referred to earlier, which was to redefine poverty, especially poverty among children. The way the committee wanted to do it was to redefine the whole income process so, poof, in one sentence it would take away 50 per cent of poverty among children. That is not the way we are going to do business. We want to listen to other Canadians so they have a positive input and not be negative about Canada. We want to change the system the best way we know how. That is how we are going to do it.

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I have not heard anything from hon. members opposite that is positive about Canada, always negative and negative. I want to repeat my colleague's statement, they always see the glass half empty. We see the glass half full and we are going to fill it all the way up.

[Translation]

**Mr. Nunez:** Mr. Speaker, I was positive like my colleagues in the Bloc Québécois; we want to maintain the social programs Canada has. The only problem we have with the party opposite is that we want to finance them by taking money where it can be found, from the rich, family trusts and tax shelters. This is the money that must be used to fund social programs. We are very positive on that.

The UN has declared Canada to be the best country in the world; I think that the UN is taking a macro-economic view, but if the UN looks at Canada today, it must realize that there are huge variations. When I came to Canada 20 years ago, it was a more egalitarian society. Today, the rich are getting richer while the poor are getting poorer. Among these poor people are the children whom the hon. member mentioned. But there are poor children in Canada because there are poor families, parents without work, women who are disadvantaged in society; that is the cause of child poverty.

(1625)

I think that we are very positive and during the consultation, we will make suggestions and a great contribution to the development of human resources, but on the good side, not in the direction the government is going.

**Mrs. Christiane Gagnon (Quebec, BQ):** Mr. Speaker, I want to discuss the impact of the social program reform for women. As the Official Opposition critic for the status of women, I will specifically deal with the impact of the proposals tabled by the Minister of Human Resources Development.

The discussion paper includes several measures which are totally unacceptable to Canadians. The first one relates to the UI program. The proposed reform will result in reduced UI benefits for women. Indeed, if a person living with another one loses his spouse earns a good salary. Since, according to statistics, women earn about 70 per cent of what men make, they will be directly affected by that measure, because their benefits will be diminished and may even be reduced to nil.

This proposal is totally unacceptable. How can we implement such a policy and claim at the same time, on the international scene, that we promote the right of women to economic equality, as the Canadian government did at the Nairobi conference and will do again this fall in Beijing?

This is an insidious form of discrimination. Either we really try to promote the right of women to equality by ensuring that domestic policies are fair and take into account the situation of women, or else we stop claiming to be a world leader in that field. The government should make up its mind. At the very least, it should ensure that it does not increase, through irresponsible policies, women's dependence on men, thus perpetuating a context which is conducive to violence and exploitation.

Another proposal in the minister's discussion paper aims at reducing access to benefits. Under this proposal, people who are frequently unemployed, mainly those who have insecure jobs and many women are in this category, would see their benefits reduced. Again, this would primarily affect women, since they hold most of the seasonal jobs.

The document raises another question regarding unemployment insurance. I am referring to contributions made to the program. Indeed, one wonders if women who are ineligible for benefits because of their spouses' incomes will be forced to continue to contribute to the UI program, thus putting an even greater burden on the family income. In our opinion, this would be a hidden increase in the tax burden and would violate the promises made by the current Prime Minister.

Let us now turn to another aspect of the reform which deserves a very close look, namely the financing of post-secondary education. Here again, women are experiencing a setback. On October 6, the minister stated: "Let us put a lot more money back into the system. Let us make a much broader, wider system of grants and loans available to students of all kinds everywhere. They can get access to our system on a basis where they can repay the money based on their incomes".

A reduction in the transfer payments to the provinces will have a direct impact on provincial governments. These governments will have to choose between dealing with this new tax burden or transferring it to the universities. Either we increase taxes to pay the higher costs or the universities will have to significantly raise tuition fees, which will increase the students' level of indebtedness. This would be a setback, especially in Quebec, where we have succeeded in helping poorer students to attend college or university. Also, this will have a direct impact on women. As we know, women are poorer than men.

If we go back to the system where only the rich can afford post-secondary education, the percentage of female university students and graduates will drop considerably.

(1630)

You do not have to be a statistician to know that the level of education is directly related to the level of income. Is this how we will reduce the dropout rate, by dashing the hopes of poorer students wanting to go to university and to improve their lot? Is

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this how the Minister of Human Resources Development will improve economic opportunities for women?

I think the minister will only encourage students to increase their indebtedness level in order to be able to further their education. This is how we will end up with a two-tier university system like in the United States: a classy private system and a poor public one. There are no projects, guidelines or instructions on expanding day-care services, except for a statement that eventually, resources will be invested in this area. This is a major omission, and it reflects this government's failure to consider the daily needs of women.

How can women expect to go back to work or function satisfactorily in the work place, when every day they are faced with the problem of a shortage of day-care for their children? Women would have to earn at least \$10 per hour to be able to pay for day-care and the transportation costs involved when a woman works and has children. Women would have to earn more than \$10 an hour, so they can afford satisfactory day-care for their children while they are at work.

Many women, especially single mothers, will leave their jobs or will not be promoted because they do not have access to day-care or their incomes are not sufficient. One wonders what this government's priorities are. Are they about buying missiles for \$400,000 each, so the Canadian army can make a good showing at competitions in Florida, or intercepting private communications through the Communications Security Establishment, an activity estimated to cost a modest \$250 million annually?

Will the Minister of Human Resources Development show more concern about programs financing than his leader, who said he was not worried about the expenditures cleverly hidden in the Public Accounts? Would there not be a case for investing in our children's future rather than in unproductive activities? Where are this government's priorities? What needs is it willing to finance? One also wonders why, in preparing its reform proposals, the government failed to consider the unequal economic status of men and women and try to correct it.

We condemn these reform proposals which are a disaster for female workers, students and women who are frequently unemployed, proposals that contain no job creation strategy. Women need well-paying, steady jobs, but the only job creation measure the government has introduced since it was elected, the infrastructures program, has failed to increase women's participation in the labour market since these jobs did not draw on women's more traditional skills.

Women do not need any more talk about training, when training is a dead end since there are no jobs available. Women need real social reform, with measures that will help make them equal economic partners, not measures that merely consolidate the usual pattern of dependency and dropping out. Mr. Minister,

some major changes will be necessary if women are to get their rightful place in the labour market.

**Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.):** Mr. Speaker, precisely, as the member for Quebec mentioned, I believe that the aim of this exercise, this opinion poll, this Canada-wide consultation is to see if we can find solutions to some rather pressing problems. One of the problems she talked about is the situation of single mothers. Very often, what they earn is not enough to provide for their children.

I believe that there is a lot to do in this area and I am the first one to say that women have been dealt a raw deal by the present system, an opinion which I think is shared by most members of this House. Women are penalized if they want to get a job or train in order to find a better job.

(1635)

I would like to know if the member recognizes that, at least, we are trying to help women with their job search so that they can have a decent income.

**Mrs. Gagnon:** Mr. Speaker, maybe the government thinks it is making an effort. But between its rhetoric and reality, there is a world of difference. I believe that we must be wary of some of the proposals put forward in the working paper, especially with respect to women. I believe that when you revert to taking into account the spouse's salary to determine eligibility to unemployment insurance, this is a real step backward.

I believe that if this suggestion is accepted by the Liberal government, we will not be helping women. Most frequently unemployed people are women, therefore this is what I call a double standard. On one hand, the government allows tax havens such as family trusts, and on the other, it says that it is going to go on a witch hunt to catch unemployed women, to see if they are not dipping two or three times in the unemployment insurance pot, in which case they will get cut off. They will no longer be eligible.

With respect to Quebec, there is another side to the story. I believe that the real objective of the Liberal government is to get involved in job training. In Quebec, there is a consensus. All stakeholders, including the Bélanger-Campeau Commission, the unions, political parties, the Conseil du patronat, agree that Quebec should manage its own job training. This is an expensive bureaucracy for the federal government and Quebec, both in terms of money and time.

I do not believe that the Liberal government will be going in that direction. Quebec's unemployment rate has doubled since 1970. The Liberal government is pursuing the same policy as the Conservatives who lost the elections because of it. They wanted to make cuts in unemployment insurance, and reform social programs, but the Liberal Party promised jobs, jobs, jobs. This is where the Liberal Party is heading in the wrong direction. It should be offering to stimulate the economy, to stimulate business in order to create jobs.

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Obviously, if the unemployment rate has doubled since 1970, it is because there are no jobs. What are we going to do with the frequently unemployed? We are going to penalize them. We are going to turn them into second-class unemployed workers, and women will be particularly penalized by this suggestion.

**Mr. Gagnon:** Mr. Speaker, it is not correct to say that we want to penalize the unemployed. I believe that the role of any government is to find work for Canadians, to make education accessible, to improve the situation of the neediest, like single mothers, and to ensure a more prosperous future for their children.

Once again, what we hear from the Bloc Québécois is the same old tune. They want the government to stop interfering with provincial programs.

I will not say anything against the Quebec Government or its Department of Education. I did it before and I will have further opportunities to do so. The only question we should ask ourselves is: "What matters for people in a difficult situation?" It is not whether their case is being considered by a provincial civil servant or a federal civil servant. What matters to people is to have access to programs, to have a chance, to know that constructive measures to stimulate the economy are being taken. What matters to people, and in particular the neediest—and I believe that the Liberals always tried to help the neediest—is to be able to re-enter the work force.

I must, unfortunately, repeat that when the hon. member says that this is a problem of overlapping, of federal interference, she is a victim of her party's propaganda.

(1640)

**Mrs. Gagnon:** Mr. Speaker, I am not at all surprised at the comments of the hon. member for Bonaventure—Îles-de-la-Madeleine. I think there was a consensus in Quebec on education and occupational training from people with high credibility. This issue has nothing to do with political allegiance. I was naming all the stakeholders from the political, educational and labour communities and we all agree in Quebec that education and vocational training should be under Quebec's jurisdiction.

Civil servants told me that no one could understand a thing about the alignment of federal and provincial programs. We can see that the hon. member did not often have to look for a job and was never forced into the maze of programs delivered by Quebec and Ottawa.

One of the programs offered by the federal government, before the training program starts, is a needs analysis. It so happened that there was a two-year delay before it could be implemented and when we were about to start, the needs had changed and there were no more participants. During all this time, the people had not worked. So you can certainly not blame

this on ill will on the part of the Bloc Québécois if we do not understand.

We were elected with a majority in our ridings to defend Quebec's interests and I think, in this case, it means to repatriate our money.

I have not talked about transfers to provinces. The government wants to cut transfers so that the onus will be on the provinces to manage this cut-rate unemployment. The provinces will again be the ones to pick up the tab. And we all know that when provinces go broke, they turn to municipalities.

Therefore, I think that if provinces were to manage their own programs, the constituents and the public would really know who the culprit is. Now the federal and provincial governments are passing the buck back and forth.

**The Acting Speaker (Mr. Kilger):** It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Mercier—Unemployment.

[English]

**Mr. Ron MacDonald (Dartmouth, Lib.):** Mr. Speaker, I have looked forward to rising and speaking in this debate for quite a while. I was one who spent a lot of time on his feet in the last Parliament debating the very principles that are on the floor today: what should be the central tenets of the country and the underlying principles that have led us, albeit with our problems, to be one of the greatest nations on earth.

I come from a region that for far too long has perhaps not shared in the greatness of the country, particularly its wealth. We have wealth in other areas with our culture, our history, our music and our people; but when it comes down to the things that put bread and butter on the table I speak from the perspective of a regional representative who has tried his very best, as have many before me, to impact on the policies of national governments in recognition of the fact that we live in a country that is regional in its nature.

The whole concept of social policy reform perhaps causes shivers up the spine of many individuals out there, even some provincial premiers who have to rely on a generous, well thought, rational program of social spending by the federal government, the government that has the tax power, to be able to deliver services of a national standard to the individuals they represent.

We have to go back a bit and talk about the development of social policy. Nearly every major program we have today has been the result of dialogue in this place and in public. Nearly every piece of progressive social legislation that we currently have up for debate in our social policy review has been dealing with programs that have been brought about by Liberal government initiatives.

We have to be careful when we criticize the process if we are not willing to understand the history of the party that teaches how to reform social programs. When I look back on the great history of the Liberal Party it is very clear that the Liberal Party tried very much to ensure that the country was not the same as the United States.

(1645)

We recognized that the free market system had to grow and flourish but we believed that there were broader principles which had to monitor, had to temper the influence of the private sector and market forces in Canada. We were not the same as the Americans and we were not the same as some of the countries that we sought our early immigration from which were smaller and more compact.

We are one of the largest nations on earth and we have an uneven distribution of population. We have ten provincial and two territorial governments at this point. Through all of this as our country grew and as the great resources that God gave us in this great land were exploited, it was Liberal thinking, small *l* and big *L*, that said there is a fundamental responsibility of governments to ensure that the great wealth that is Canada is shared as equally as possible by all Canadians no matter where they live.

How do we do that? Do we just say if you are living in Alberta and they find oil in the ground you are going to do well perhaps for this generation or maybe the next, or 100 ago when you lived in Atlantic Canada and cod was plentiful and there were all kinds of money flowing into those households that did not have to share it? No, we believed collectively that we had a responsibility as government—our party believed that then and believes it today—to try to ensure that the wealth of this country is redistributed wherever possible to those individuals who are less prosperous today.

We have done that through social programs. We came in with unemployment insurance. We decided that we had to find some vehicle to transfer funds on a regular basis with a standard program and we came up with established program financing, EPF. That is how the federal government through its taxation powers takes moneys in and sends moneys back to the provinces to try to ensure a certain level of quality in the delivery of service in health care and post-secondary education.

The unemployment insurance system was initially put in place to ensure that workers who found themselves temporarily without employment were not going to have the bank come in and foreclose on the farm. It was meant to be an income supplement during that period of time until the individual could either retrain or find another job in the labour market and pay his or her bills.

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We have had further progressions in social policy right up to the Constitution Act in which one of the fundamental characteristics of this country was set down as equalization. One of the major factors that distinguishes this country from others around the world is the fact that our Constitution says that the government has a responsibility to ensure that the provinces have the ability to deliver services of national standards, national quality, no matter what the fiscal situation of that province is.

Our social programs through old age security, through veterans' pensions, all of those programs have been an attempt by past governments to meet that fundamental commitment, that characteristic of Canadian society of equalizing the opportunity for all Canadians.

In a province like Nova Scotia some would say we rely too heavily on that. Maybe we do. Some say that perhaps the amounts of dollars transferred down have not met with the successes that were waiting there for them. I am one of those individuals who would agree.

I think it is high time we sit down and examine the vehicles. These programs are merely vehicles to deliver certain principles. It is also a time for us as Canadians to reaffirm the principles.

I know there are some on the Liberal Party side, perhaps even who sit in this Chamber, who believe we have to fight tooth and nail to maintain the vehicle. I do not think we have to do that. What we have to do in this period of fiscal restraint is redefine what we try to accomplish as governments.

Is the principle of equalization going to be maintained as one of the fundamental strands in the fabric of this country? I think most of the people in this place would say yes. Are we still going to try to take the wealth of this great country and ensure that individuals like me, the son of a coal miner who saw more pay days than pay cheques down in Cape Breton, can go to university because I have not been tuitioned right out of the picture? Does it make sure that somebody who lives in northern Ontario or downtown Vancouver or in Bay d'Espoir Newfoundland, when they have a problem with their health, does not have to worry about the size of their bank account, that quality health care is there?

(1650)

We are facing major challenges. I think as this debate goes forward Canadians will reaffirm the principles that this country has been founded on, principles of fairness, of equal sharing of the resource, of caring for one another and a free market system altogether, all in one.

This reform that we talk about is essential. It is essential that we grapple with the real economic problems that we have today. It is also essential that these reforms are not dictated by any one region of this country.



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Atlantic Canada is not western Canada. Alberta is not Newfoundland. Quebec is not Ontario. This is a country that is as distinct because of the differences that it has been able to accommodate internally as it is distinct by its geography and its people.

During this reform of social policy, during the debate that takes place, we must ensure that those principles that have been established, that have made this country great from sea to sea, are reinvented. We say that is the foundation and if there is a better way for us to deliver those principles of equalization, of allowing as a people, each and every individual in this country, to develop to the fullest of their potential I will be on board for that.

I am afraid of change. I am afraid when I see two systems of UI being put on the table for debate that it means some of my fishermen in Atlantic Canada or the Gaspé may find themselves on the short end of that stick and I worry about that. I am worried that talk of cutting back on transfers through EPS to universities will mean that people who grew up or are growing up as I did with not very much money coming in for food let alone to put away for their children's university may not be able to get a quality education.

I am equally convinced, and this balances my concern, that as this debate goes forward one single thing will come out of it if nothing else and it will be that we will come back as a people and we will re-endorse and reaffirm those principles of equalization of the government allowing the free market system to flourish but at the same time using the resources of this great state, of this great nation, to ensure as best we can as mere mortals that those resources are put to work for the people of this country no matter where they live.

The debate is important. My voice I hope will be heard. My voice will probably be a voice of dissent on many of the things that are put on the table but I am not going to sit back and be critical and not participate in the process. That is one way the people I represent will not be heard and I am quite prepared. My voice can be loud at times. I may be small but I was blessed with good vocal cords. My voice on behalf of the people not just in Atlantic Canada but people right across this country is heard and that the desires they have that their government will be able to respond to their needs are materialized in a brand new social policy reform package and the vehicles that we choose to deliver are vehicles that will be efficient, that will deliver to the people who need it the most, and more than anything else will ensure that the next generation of Canadians, far too many of whom are living in poverty, will be able to look forward to a bright future in this great country.

**Mr. Jim Abbott (Kootenay East, Ref.):** Mr. Speaker, it has been most fascinating coming to the House of Commons and dealing directly with people who are eminently qualified to

speak for the Liberal Party as members of Parliament for the Liberals.

One of the difficult things I have encountered is that I do not seem to be able to get a straight answer to a very simple question and it reflects around the area of universality. Does the member actually believe in universality?

As I listened to the member's very eloquent speech it seemed to me that he, like most Liberals, is trying to have it both ways. The Liberals are saying we are going to have government intervention but we are going to have free market. Some of the things unfortunately are mutually exclusive.

I am not suggesting for a second that I do not believe in the basic concept of equalization and trying to even things out but we have developed this to such a science in Canada that we have reached the point at which we no longer can afford it.

I have a question with respect to universality. I believe this is the fourth time and the fourth member I have put this question to. I know the member is going to give me a straight answer to this question because he is such an upright looking gentleman. I can tell he is going to give me a straight answer.

(1655)

Where are we going with this thing? Does the member actually believe in the concept of universality in which every single Canadian has equal access to all of the programs available? Or does the member believe, as the Reform Party believes, that we are going to have to target some of our social programs, that we are going to have to be selective and make sure that the people in Canada who are most in need will have those services available to them? In other words, that is the difference. Those two things are mutually exclusive—universality or are we going to be targeting our resources because that is not universality? Which is it?

**Mr. MacDonald:** Mr. Speaker, I could send him over a dictionary. That might be a quicker response.

To the member for Kootenay East, on university I think everything is on the table, to be quite honest. When I see that there are over 1.5 million Canadian children living in poverty that tells me that the dollars we are spending are not hitting the mark. When I see individuals who have to live below the poverty line, who have worked hard to build this country because the dollars have been spread too thin, then I do not think those are the types of programs I want to see continued.

When I see single parents, primarily women who cannot get out into the workforce because they have children at home, who cannot get a hand up because the money available to the programs we are maintaining keeps them down and ensures a cycle of poverty, of non-productivity both economically and at a complete destruction of self-worth, I am prepared to listen to anybody in this country who would go back to the basic principal of equalized opportunity.

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Quite frankly, I would not be here today if it were not for those social programs. Maybe most members of the Reform Party would, but I do not think so. I know the backgrounds of some of those individuals. They have chosen public life. Many of them were not brought up with a silver spoon and many of them did get the benefit of a university education because of transfers to their home provinces for education. I know that. Does that mean that everything we have today has to stay the same? I would say no.

He asked me if I believe in universality. I do for some programs. There are some programs I do not think can be cut without damaging the fabric of the country. On health care, do I want a user pay system? No, I do not. I know the Reform Party does not either. We want to maintain that as an essential piece of the fabric of this country.

I am prepared to sit down on each and every program. I am not prepared to do what some on the other benches, most notably the Reform Party and the right wing would do, which is simply to do across the board cuts.

When we look at these things we have to use the ingenuity I know members of this Chamber have to develop vehicles that would allow for the majority of assistance that is available be targeted to those individuals who need it the most. We all know that it diminishes on a daily basis. However, does that mean we have to throw the baby out with the bath water? I think not. I think the baby has to do with a little less water in the tub.

[*Translation*]

**Mr. Yvan Bernier (Gaspé, BQ):** Mr. Speaker, I appreciate the opportunity to ask a few questions or at least to make a few comments on the hon. member for Dartmouth's speech.

I have worked with the hon. member on the Fisheries and Oceans Committee. First of all, I must say that I find most interesting his concern that the paper tabled by the Minister of Human Resources Development might possibly create two categories of unemployed, when he says that the chronically unemployed apply for UI benefits two and three times over a five-year period.

Yet, coming from maritime regions, we both know that our constituents are directly involved in, and directly affected by, this. There is even more cause for concern considering that we had an inkling of the Minister of Human Resources Development's reform earlier this year with the UI changes made this spring, for example, when the qualifying period was increased from 10 to 12 weeks.

(1700)

I would like to hear the hon. member's comments on this, to know if there are lobster fishermen in his region who, since cod fishing is forbidden under the moratorium, have nothing else to fish. To qualify for unemployment insurance, they need 12

weeks of work. Every one knows that in maritime ridings, lobster fishing is subject to a natural constraint, since the season is only 10 weeks long. Now that is very interesting.

The last point I would like the hon. member for Dartmouth to consider is equalization payments, when he says that the federal government has taxing powers to regulate, to administer its so-called national social programs.

The problem, as I see it, is that the minister already has a figure in mind as regards the extent of the cuts. He is trying to say which program or program component he would like to cut. This sounds like a dangerous approach to me because welfare recipient are left out in the cold. Making programs disappear, or reducing the assistance provided under such a program, and I will conclude on this, will not make welfare recipients disappear.

This means that the provinces will have to pay out of their own pockets. Equalization does not work if Quebec or Ontario, for example, see the percentage of welfare recipients they have to provide assistance to on their own increase all of a sudden. Because if there is a freeze in federal spending levels, equalization will not work. These were the comments I wanted to make.

[*English*]

**Mr. MacDonald:** Mr. Speaker, I have to say that I certainly enjoy working with the member for Gaspé on the fisheries committee. We share many of the same concerns. Our mother tongue may be different, but our regions are not that dissimilar and our interests are pretty similar.

I want to pick up on one thing. The member indicated that the federal government has the authority to provide equalization, to try to equalize the opportunities for Canadians. I would go one further. Since his party is very concerned about constitutions and constitutional status, I would like to inform him that it is not just the authority, it is a constitutional requirement. Whatever cuts are made to social policy as a result of the ballooning deficit, every cut must be looked at to see whether or not, in accordance with the Constitution, it has increased or decreased disparity in the country. That is one of the things that is a fall back for us. The Constitution provides for that.

With respect to the other question he asked dealing with UI, it is a major problem. One of the things we have to do is stop handing out the dough. It is a bit like a narcotic. If you have a pain in your arm and you do not treat the cause of the pain but keep giving the drug for the pain pretty soon you forget about the pain but you keep needing the drug.

We have to try to deal with diminishing dollars and address the real problem. We have to restructure the fishery so that the individuals left in the core fishery can make a decent living off it and never again see the fishery as a way, through licensing, to qualify for UIC. Unfortunately that is what has happened in the past. People who have a licence should be able to make a good

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living at lobster, at groundfish, at whatever, but we have spread it far too thin.

In conclusion, I agree. I have those concerns. I look forward to reading the input from his town hall forums that he is going to be holding on social policy reform and what his people are saying on it. Perhaps we can sit down and see how close together both our communities are on the need for this type of restructuring.

**Mr. Benoît Serré (Timiskaming—French River, Lib.):** Mr. Speaker, it is with great pleasure that I rise today to address the House on this most important matter of reforming our social programs.

I would like to congratulate the hon. Minister of Human Resources Development and his parliamentary secretary for having the courage to put forward this most-needed initiative.

I will restrict my comments to two areas. First, why do we need social policy reform? Second, what are the principles which should direct these changes and what are the objectives we want to achieve?

On October 14 and 15 I held two sets of public consultations in my riding of Timiskaming—French River, one in Kirkland Lake and one in Haileybury, probably the first public forums on the social reforms in the country. About 100 constituents attended the forums and 26 individuals and organizations presented briefs.

(1705)

There was unanimous agreement on the need for social reform and toward the objectives outlined in the minister's discussion paper. There was also a broad consensus on the kind of reforms needed to achieve these goals. The best way to demonstrate the need for reform is to give three examples of situations which came up at the hearings.

The first example is one of a young couple with two children, both earning salaries just above minimum wage. After allowing for child care expenses, travel, income taxes, an increase in geared to income rent, we found that the net income for this couple was \$150 less a week than if they had been on social assistance. This is wrong and totally unacceptable. In addition, the young couple have lost their drug and dental assistance plan. Geared to income housing rental is based on gross revenue before factoring in income taxes and all the work related expenses. In effect, a working couple earning a net income of \$1,000 a month will pay more in rent than a couple on social assistance receiving \$1,200 a month. I find this unfair.

We are telling those Canadians who have the pride and self-motivation to go out and find work that if they do go out and work, we will penalize them.

The second example is one of a man who is married and has four children. He is fairly well-qualified but was unable to find a permanent job. He had to go on social assistance to support his family. He decided to put an ad in the paper to find part time work and earned \$800 gross in a one-month period as a self-employed carpenter.

This gentleman reported his earnings to the welfare board. Not only did they deduct all but \$50 from his cheque, they did not allow any expenses related to his job, such as advertising. This is very important. They even informed this gentleman that if he put another ad in the paper, he would be considered self-employed and be taken off the payroll altogether. Is this the kind of social policy the country needs at this time?

The third example is one of a young, single mother with two children. This young woman is on social assistance but wants to go to school. She wants to get back into the work force. Because she lives in a rural area where child care is unavailable and she has no means of transportation, she cannot go back to school and re-train.

Our reforms should, and I hope will, address the special needs of those Canadians living in rural areas so they too can benefit from the increased opportunities which will hopefully result from these reforms. It is clear that reforms are badly needed. The response to the government's initiative on my constituents was simple. It is about time.

A recent COM-PAS poll suggested that 91 per cent of respondents want social assistance recipients to be given the opportunity—I am not saying to be forced—to re-train or to do community work. Seventy per cent agreed that social benefits should be re-targeted to the most needy.

What are the principles that should guide us as we embark on these most urgently needed reforms? First, we must ensure that we maintain a social safety net, an income level sufficient for those most vulnerable. We must preserve this compassionate, caring, society that makes us the envy of the world. We must tackle child poverty and encourage self-confidence and personal initiative. We must also ensure these programs are within our means by ending waste, duplication and abuse. We must do this in order to guarantee the future affordability of these programs.

However, the main thrust of these reforms is about jobs and growth. The best social program, as our Prime Minister has said many times, is a decent job that does not only ensure Canadians the means to sustain themselves, but also restores in them confidence and the dignity of work. Félix Leclerc, one of our most prominent singers and authors, once said: "The best way to assassinate somebody is to give him nothing to do."

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(1710)

*[Translation]*

According to another saying, idleness is the root of all evil. By doing everything to put Canadians back to work or to train them, we will not only ensure the future viability of our social programs but also solve at the same time a host of social problems such as family violence and alcoholism.

*[English]*

This is what these reforms are all about, giving Canadians the tools such as child care, retraining and counselling, so that they can get out of the dependency rut and back into productive society.

This reform is about creating opportunity instead of dependency. This reform is about asking all governments—federal, provincial, municipal, employers, and more important the recipients of social programs—to share responsibility. We need programs that are going to be more flexible, adapted to people instead of to the bureaucrats that administer them.

I believe very strongly in the principles and objectives as set out in the discussion paper. I intend to continue to consult with my constituents so that together we will find a strategy to renew and improve our social safety net. Together we will find the courage to implement the changes needed to build a better society where people will have self-confidence and the dignity of a job. Together we will build a society that will continue to be the envy of the world into the next century.

**Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.):** Mr. Speaker, I heartily agree with the hon. member's observation that reform is badly needed in the country. Amen to that.

I agree also with his observation that the best social program is a job. If he believes that or if his government believes that, why then does it persist in its destructive anti-employment policy of taxing the life out of the Canadian economy in order to maintain its spendthrift habits? Is this not an unreasonable approach?

**Mr. Serré:** I thank the hon. member for his support. We need reform but we do not need the Reform Party.

But having said that, I have had occasion to talk to the hon. member many times on a lot of issues and we share similar views.

The government certainly believes that job creation should be the number one priority. This is what reform is all about, not only this social policy reform but the document tabled by the finance minister and the upcoming document of the Minister of Industry. All our red book and other programs are geared toward creating jobs, creating opportunities.

We moved in the first budget to remove some of the disincentives that impact on job creation. We reduced UI premiums, and hopefully with constructive suggestions from both opposition parties and from government members, we will find better ways to put Canadians back to work.

It is not only a question of dollars. I know that members of the Reform Party always think money. We Liberals think about people. Putting people back to work is not only saving a dollar or getting more revenue in income tax, it restores to Canadians the dignity of being able to be self-sufficient. To do that, we have to give them the tools.

Right now, as I mentioned in my speech, people have many disincentives to going back to work. They are discouraged from going back to work. Hopefully, with these reforms, we will be able to give them the tools they need to get back to work.

(1715)

*[Translation]*

**Mr. Gérard Asselin (Charlevoix, BQ):** Mr. Speaker, I am pleased to respond to the speech by the member of the government party.

As you may recall, in the last nine years of the Conservative government, on several occasions when reforms were proposed by the former government, the Liberals—then the Official Opposition—did a very good job. They gained the trust of the Canadian people, who brought them to power. Unfortunately, I think that the government misled the population. May I remind you of former Tory minister Valcourt's UI reform, which created a scandal here in this House.

The Conservatives caused a significant rise in the deficit which, of course, the current government promised to reduce. Everyone, I think, agrees that the deficit should be cut. However, reducing the deficit at the expense of the poor is unacceptable. The people do not want the deficit to be reduced at the expense of the poor.

Last week, the Minister of Finance told us that, although the Bloc Québécois agrees that the deficit should be cut, there is no other way to bring in the new money that would reduce it. I sit on the Standing Committee on Finance and we submitted to the committee chairman and to the Minister of Finance, on several occasions, adequate solutions that would allow the government to find additional funds.

We also asked the government to cut into the fat of public expenditures, in the right place, namely the other house, commonly known as the Senate. It still costs the government \$628 million a year, including all staff.

As you may recall, a minister in this government made a return trip in the same day at a cost of \$173,000.

As you may recall, the Prime Minister decided—

*Government Orders*

**The Acting Speaker (Mr. Kilger):** Sorry, but speeches are limited to 10 minutes and subject to a five-minute question and comment period. It is very short.

Since I want to allow as many members as possible to participate in today's debate, I will let the hon. member for Timiskaming—French River give a short reply, please.

**Mr. Serré:** Mr. Speaker, this will be very short. I thank the hon. member for his statement.

I can summarize their philosophy very briefly. I think that they want to keep Canadian and Quebec families in perpetual poverty because that is what you do when you give them a cheque every month and tell them to stay home and do nothing. For a year, I have heard members of the Bloc Québécois tell us to stop duplication, that is how we will save money. That is what we are trying to do with these reforms.

For a year, I have heard Bloc members tell us to tax the rich. That is what we want to do with the education reform. We want to stop subsidizing the sons of lawyers and give to those who really need it.

[English]

**Mr. Chuck Strahl (Fraser Valley East, Ref.):** Mr. Speaker, I want to speak about a philosophy of governing today. The philosophy is called incrementalism. I want to relate this philosophy to the social policy review.

To illustrate, I want to tell members a story. I know how they enjoy a good relevant story. There was a woman who wanted to buy a chicken so she went into a country store where the store owner had a big sign that offered lots of chickens for sale.

The store owner did not tell the lady that he really only had one scrawny chicken left at the back of the store. He offered to catch one of his many chickens and went back into the chicken coop. When he got there he banged a few walls, made some clucking noises and came back with his only chicken.

He said: "That will be \$5. Thank you very much". The lady answered: "That chicken looks a little thin. Do you think I could have a different one?" The merchant did not know quite what to do but he was a fellow with a fair bit of gall and a lot of nerve so he kept that stiff upper lip and went back into the coop.

He raised some dust and he hit a few more walls. He made some more clucking noises. He fluffed up the chicken's feathers, turned it around on the plate, took it back out to the lady and said: "That will be \$10, please". The lady said: "I don't know. That one looks a little thin, too. I think I better take them both".

This is a great analogy to this social policy review that we are going through.

(1720)

The Liberals during the last election made a great many promises. They said: "We have many chickens in our coops. In fact, all it will cost you is the election. Trust us. Vote us in and we will bring back your chicken". In fact, on October 10 last year the *Globe and Mail* quoted the Prime Minister as saying: "Let me win the election and after that you come and ask me questions about how I will run the government".

The poor taxpayer bought into the government claims. The taxpayer then said: "Okay, now we have elected you. Just go back into your coop and bring out a nice chicken for us. Let us see what you have". The minister went away and consulted with special interest groups, with his political friends and I suppose some other people and came back with a chicken for the taxpayer. This chicken has a name. Its name is "Agenda: Jobs and Growth". It is a book full of suggestions but it does not have any plans. It especially has no costing to its vague proposals.

Canadians took one look at this poor excuse for a chicken and said: "This is one mighty scrawny chicken. There is no meat on it. How are Canadians possibly going to get a meal from this chicken"?

Allow me to quote what some Canadians have actually said. The Vanier Institute on the Family said: "It does not show an awful lot of commitment by the government at this time to any one of the options put forth". The Caledon Institute of Social Policy said: "It is on the whole thin on specifics".

The *Toronto Star* said: "It is surprisingly timid, vague and short of essential information. It does not contain a single proposal that could be described as original or daring". The paper was panned by the premiers of B.C. and Saskatchewan and endorsed by only one lonely premier. The premier of Ontario called it an insult.

The chief economist at the Canadian Imperial Bank of Commerce said: "It is a bit of a pig in a poke". Apparently, he likes the pork analogy better than he likes my chicken story.

Canadians have had a good look at this chicken now. As the poll on the weekend showed, they like the general idea of cutbacks, but they want to see some more specifics.

However the store owner, the Minister of Human Resources Development, has the same kind of gall as that other store owner. He is going to say: "Okay, another chicken you want, another chicken you will get". He will go back into his chicken coop, make some more political noise, fluff up the feathers of his poor old chicken and bring it out for the taxpayer to see. Do you know what? It will be the same old chicken only it will cost more through higher taxes.

*Government Orders*

The Liberals delayed this social policy review for nine months before bringing it out. They finally brought it forward and it says virtually nothing. Why are we surprised? It is not the Liberal way to say anything. It is the Liberal way to delay, to study, to talk and to talk and after much fanfare raise the taxes and take the tiniest baby steps toward any kind of resolution of all the problems we are currently experiencing.

I want members to know something. Initially, some taxpayers will accept the government's tiny incremental solutions because at least there is the appearance of change. It is only when taxpayers realize that they need both chickens for their pot, specific plans for social policy change and action on the debt and deficit, that the government will be exposed for what it really is.

What will the minister say when the bluff is called? He will be speechless. It is hard to imagine but I think he will be speechless. He will stand there with empty hands and empty pockets and say: "I'm sorry. All along we only had that one scrawny chicken. The real chicken is a skinny one. We have nothing to deal with the debt and deficit that is in fact destroying our social programs".

The Liberal government has ruled this country for generations. It has always proceeded in these careful half-step fashions. Mackenzie King was a classic Liberal. His words "constriction if necessary but not necessarily constriction" are a perfect example of a Liberal statement. Liberals balance artfully on the fence, careful not to move too fast, careful not to offend. But while the Liberals sit and think and be careful, problems are building up like floodwaters behind the dam.

What are these problems? Examples are everywhere. Serious changes are required in the UI system, changes that Reformers have advocated for some years now. Restoring UI to a self-sustaining insurance type program, funded, controlled and administered by the workers and employers who use it.

For example, there is the new health care review. Change was promised a year ago, promised again in the spring, promised again this fall by a Prime Minister who last week found out that the provinces, health care's largest player, the player that Reformers say should have even more freedom to administer health care programs, will not even participate in this latest \$12 million study. Imagine, \$12 million and 22 more people to study and review the system for another year. Health care will be close to death by that time.

(1725)

This goes across the board. The Minister of Public Service Renewal gave a speech a year ago telling the public service that change is coming, but do not worry we are still reviewing and studying. The GST changes are still under review. Tax reform is needed but under review. The \$58 million royal commission on aboriginal peoples is delayed for another six months.

If there is no action in our year old social programs a year from now they will be in a far worse situation even if the economy continues to do well. Our debt will have grown in a year by another \$40 billion. The likelihood that all will go as planned is small. Life is never ideal. We are in a position of tremendous risk.

All it would take is a slight downturn in the economy, a small jump in the interest rates, to decimate our social programs instead of managing the change now in an orderly fashion.

The government often accuses Reform of a lack of compassion, for wanting to act now on social program reform. Is it really a show of compassion to add another \$100 billion of debt on to the country? Is it truly compassionate to force working Canadians to pay more and more of their pay cheques in taxes funnelled to foreigners, money for which they will never receive any kind of a spinoff however indirect, to force more and more jobs out of the economy as Canada becomes less and less competitive because of its debt, to gradually whittle away our civil service and our social programs because more and more must go to pay the interest?

The bank does not care if you have good food on your table as long as you are able to pay your mortgage. In the same way the world investment community could not care less if Canada has any social programs or government jobs or anything else, period, as long as we pay the interest on our debt.

Liberal incrementalism hurts Canadians and that is why Reform rejects their course of action. It is an act of compassion to swallow the tough medicine right now, to make the changes now from further reliance on the federal government and to greater rewards for personal initiatives, for a greater reliance on family ties and on local institutions in our communities, and then finally the personal freedom that can only come from a lower level of taxation.

That is why Reform says we need to balance the budget during the term of this Parliament. That is what we call tough love for our country.

What used to be a clear governing philosophy of incrementalism has even changed of late. Andrew Coyne of the *Globe and Mail* says of this government's proposals: "Behind the generalities lurks a government that is scared to death. It is not the fear that inspires but the fear that transfixes the deadly paralysis of the rabbit in the cobra's gaze".

I believe the Liberals are no longer even incrementalists. They are simply afraid to move, paralysed by problems on the one hand and the titillations of power on the other.

I suggest that it is time to have courage and seize the opportunity. I would like to quote a bit of Shakespeare just to lighten the atmosphere. It goes like this and it is familiar. I am sure Mr. Speaker knows it by heart. It states:

*Government Orders*

There is a tide in the affairs of men  
Which, taken in the flood, leads on to fortune;  
Omitted, all the voyage of their life  
Is bound in shallows and in miseries.  
On such a full sea are we now afloat;  
And we must take the current when it serves  
Or lose our ventures.

The great floodtide of opportunity is flowing. The time to ride its crest is now. Change will never be easier than today but three more years of discussion papers and reviews may totally ruin our social system.

Liberals will forever regret passing up the golden opportunity to address these problems in last year's federal budget. They will regret passing up today's golden opportunity of economic growth and their party may well break up if the economy founders on the debt. Then a gale force wind will sweep political change over this land and the Reform Party, fully matured and mindful of the long term interests of the country, will be there to pick up the pieces and preserve the essentials of our social safety net.

**The Acting Speaker (Mr. Kilger):** In that same spirit of humour, I do not know if I liked the story about the chickens better or Shakespeare's quote.

(1730)

**Mr. Brent St. Denis (Algoma, Lib.):** Mr. Speaker, I listened to the member for Fraser Valley East with great interest.

When he was talking about pork and chickens I could not help but think of ham and eggs. He is quite a ham and a lot of the ideas the Reform Party has is like laying big eggs.

I would like to pick up on two points the member raised. First, the Reform Party makes much ado about referenda, listening to the people and responding to what people are telling it. In fact what we are doing in this consultation process of the government is listening to the people.

When the member gets a chance to respond I wonder if he will attempt to square the Reform Party's position vis-à-vis referenda and the need to listen to people with what we are doing as a government to consult with the public to put out in front of Canadians serious options, not just fuzzy ideas.

An example is the second part of my question. In my riding I have the wonderful city of Elliot Lake which has recently gone through a major transformation. Part of that transformation, because of changes in the local economy, has included thousands of seniors moving to the community. We have an opportunity through the options put forward by the minister to engage Canadians who are now maybe on unemployment insurance or

welfare to contribute back to the community and help us keep our seniors safe in their homes.

The minister's proposals have given us an opportunity to be creative, have given direction, and I can hardly imagine how the member could respond by suggesting that these options are nothing less than very concrete proposals for the future.

I would ask him to deal with those two points if he would.

**Mr. Strahl:** Mr. Speaker, there are a couple of issues, one which is close to every Reformer's heart, the issue of referendums. Referendums are one way of determining in a very final way what the people in the country want to do as far as taxes, expenses, priorities, things they want to get a handle on such as capital punishment issues, things that are burning in the nation's craw, so to speak.

I have no problem whatsoever with squaring the idea of listening to the people. A couple of days ago, and this is not a referendum, polls indicated 90 per cent of people want action on social policy reform. When do they want it? We could start the chant: when do they want it?—now. When are they asking for it?—now. It has been a year and nothing has happened.

If you were to go to the people and ask if they were prepared for a change, if you wanted to go, if people wanted to initiate a referendum, they would approve massive changes now.

What they will not approve is the other side of the equation where the Minister of Finance continues to fudge on whether to tax RRSPs. Take that to a referendum. People would say absolutely not, reduce government spending, that is how we are going to handle this deficit problem.

I have no trouble figuring it out or relying on the people in the country through the use of a referendum. Referendums, I think, will back up what the Reform Party has been saying all along which is that people want control of the debt and deficit and they want it now. They expect the government to control them through cutting expenses, not through additional tax increases.

Not only would they often approve such things in a referendum but it would give that impetus to the government to say not only do they want it to in a poll, they ordered it to do it and what could be more unifying to the country than that force from coast to coast saying we should get on with the necessary changes now. Referendums are not a problem. We could certainly do that easily.

As far as having creative ideas, all ideas are welcome when a community goes through massive changes. All ideas have to be brought forward on the table. In the paper on jobs and growth pensions are not even mentioned. That is what the citizens of Elliot Lake would like to have more discussion on than what this paper offers.

*Government Orders*

**Mr. Ian McClelland (Edmonton Southwest, Ref.):** Mr. Speaker, it is a great pleasure to participate in this debate today and surely the chickens are coming home to roost.

(1735)

If the parliamentary channel were to be seen in the other place, and I do not mean heaven—and it probably is for hours and hours of the day—you could bet one thing. All those Liberals, and the place would be full of them, would be rolling over in their graves right now. What we are talking about is how we are going to unscramble an omelette. How are we going to make right what the Liberals did 35 years ago in order to buy their power and success with our money? That is what is all boils down to.

We, ladies and gentlemen in television land, are the ones who brought this upon ourselves. The Liberals and the Conservatives, in order to get re-elected or elected, determined the best way to do it was to buy us with our own money. The chicken has come home to roost. Our responsibility, this Parliament, I and my colleagues, are charged with the great responsibility to somehow do this to keep our country whole and to ensure that future generations of Canadians grow up in a spirit and attitude of confidence, self-worth and self-respect.

How are we going to do it? My hon. colleague from Elliot Lake talked about ham and eggs which reminded me of story of a pig and a chicken walking down the road. They are walking down the road and the pig said to the chicken: "Chicken, I am getting a little hungry". The chicken said: "So am I. Do you think we should stop for breakfast?". The pig asked: "What do you think we should have?". The chicken said: "Why don't we have ham and eggs?". The pig thought for a minute and said: "Chicken, when you say ham and eggs, the eggs from you are a donation, from me the ham is a commitment". That is what Canadians need and are looking for today. They are looking for commitment.

There is absolutely nothing as disheartening as going into a period of uncertainty and looking at the captain of the ship and the captain is looking at somebody else to lead. Our country is on stormy waters even as we speak. We need a government, we must have a government, that will take the initiative and do what it is paid to do, lead. The time for studying, navel gazing discussion is long past. We are in serious trouble today and dreaming about it and wishing are not going to change a thing.

There may be some of us here in this House who do not agree with the American philosopher Ayn Rand, but I think all of us would agree with at least this one truism, that you must deal with things as they are, not as you would wish them to be. If we reflect in our daily lives, we know that no matter how difficult the situation we may face from day to day, the minute that we start dealing with the problem it starts getting better.

We know what the problems are in our economy. We know what got us here. Surely we know that the first step is the most difficult to get us out of this mess and that is the chronic overspending of all levels of government.

I would like to spend a few minutes talking about one aspect of this social policy review, unemployment insurance. Unemployment insurance started 35 or so years ago with the noblest of intentions. The idea was that unemployment insurance would help those who lost their jobs tide them over until they were to get a new job. It is a noble idea. Who would disagree with that? It was to be paid for by the people who would use it—insurance. It would be paid for by the companies that hired employees, and employers.

When unemployment insurance started in Canada it consumed 0.9 per cent of our gross domestic product.

(1740)

That is, of the value of all the goods and services that were produced in our country, unemployment insurance was 0.9 per cent. In 1992–93 unemployment insurance was 3 per cent of our gross domestic product. It had increased from \$60 million a year to around \$20 billion. No one got up one morning and said we should turn unemployment insurance into something that is not going to work, or will not be what we wanted it to be in the first place.

It gradually, incrementally, took on other responsibilities. It became a method whereby we were able to redistribute income throughout the nation. As it stands today all across the country dependent upon the unemployment rate, it is possible to get unemployment insurance. For instance, in a place with 16 per cent unemployment I think one needs to work 10 weeks a year to get approximately 39 weeks of benefits. If the unemployment in Canada averages 10 per cent, people need to work for, I believe, 15 weeks to get 30 weeks of benefits. It has absolutely no relation to insurance.

Now we have a suggestion in this book—whatever its colour—to change the name, to call it employment insurance. Think about it for a minute. We do not like what unemployment insurance has become, so let us change the name. Let us call it employment insurance. Why do we not call it unfire insurance then? Or let us call it uncollission insurance. Let us do whatever we have to do, but for goodness sake let us not deal with the problem as it is.

Let us obfuscate the problem. Let us somehow bury the problem so we do not have to deal with it as it is. The Forge commission years ago was charged with exactly this responsibility, to make unemployment insurance unemployment insurance. What did we as parliamentarians do? We decided the Canadian people were not ready for these radical reforms such as pay as you go, and it was put back on the shelves.



*Government Orders*

We do not have to go into a great navel gazing exercise in order to figure out what is wrong with unemployment insurance. All we have to do is make it insurance. There are two aspects to this. There is the aspect of the employer and the employee. Our system has become so generous and so easy to get into that employers, when faced with the decision of letting someone go, find it much easier to look someone in the eye and say "we are laying you off, we do not have enough work", than it is to say "you are out of here because a) you do not show up on time, b) you have not made an effort when you are here, c) you do not groom yourself properly" or whatever.

It is much easier to say "we are going to lay you off". What does that do? That is a tax on everybody else who is working. Does that do anything for the person being fired? It does absolutely nothing.

When someone in our unemployment insurance maze happens for whatever reason to get laid off or perhaps fired, what happens? When people are laid off through no fault of their own, the waiting period is fairly short and they are able to claim benefits right away, as it should be. When people quit they are supposed to be in a situation in which they cannot claim benefits for an extended period of time. They can still claim benefits but it takes a while.

In reality what happens? An employer fires someone and so they go to their local unemployment insurance office and say they were fired. They are asked why they were fired. The person replies: "I do not know. I should not have been fired. I am the greatest employee ever".

They therefore go to the referee. The person who fired them has to go through a long and involved process of saying why they fired them. Then they have to go to a committee of three people to justify it. Otherwise the person has recourse to say that he or she was laid off.

(1745)

All this does not do anything to strengthen the insurance aspect of what we are talking about. It would be relatively simple in many of the great problems we have if we boiled it down to some very straightforward essentials.

A basic mandate in everything we do is that it must be fair and have equity. Fairness and equity must be the underlying values in everything we do in social policy review including unemployment insurance. We must inculcate with everyone—employer, employee, parent and child—a sense of personal responsibility for our successes and our failures in life.

If we were to do so, we would go a long way in establishing a sense of self-sufficiency, self-confidence and self-worth in ourselves as individuals. It is up to everyone as individuals to make their way in life; it is not up to the government to do it for anyone.

**Mr. Harold Culbert (Carleton—Charlotte, Lib.):** Mr. Speaker, I listened with great respect to the comments of the hon. member.

After listening to the first story about the chicken and then the story about the chicken and the pork that were side by side going down the road and after hearing comments from previous speakers across the way, I remembered, coming from Atlantic Canada, that in many cases we were very fortunate to have the slim or the thin chicken in our pot of stew. Sometimes those comments scare me. I wonder whether we would have anything to put in the pot if we were to listen to some of the comments of the Reform Party.

I want to direct a question to the hon. colleague across the way. Has he read the green book, the paper of the Minister of Human Resources Development that was tabled a week or so ago now? Does he realize that the minister invited consultation? Does he intend to go to his constituents and say this is an opportunity for them to participate, to have input and to have their input respected as the input of other members of the Reform Party and of other parties in the House will be respected by the minister, the department and the government?

The opportunity for consultation, the opportunity that Canadians were crying out for, has been lacking for many years. They want to be part of a participatory government. Then we have it and, if we listen to the Reform Party, it is saying: "Make up your mind tomorrow, dictate to Canadians, and forget about consultation".

I am somewhat confused when I hear such comments because I believe that what Canadians want is participatory government. That is what Canadians want in my constituency, in Atlantic Canada, and I suspect in other parts of Canada. The Minister of Human Resources Development has given them the opportunity to be part of it. He has given you the opportunity to be part of it, Mr. Speaker, and every member of the House.

Let us get to constructive input that will help the department and the minister bring about a social program that is not only good for all Canadians but supportable to all Canadians.

**Mr. McClelland:** Mr. Speaker, I thank the member for his question. It gives me the opportunity to tell residents of Edmonton in general and Edmonton Southwest specifically that the meeting at which we will be discussing this subject will take place on November 7 at 7.30 p.m. at the Royal West Edmonton Inn as part of our ongoing discussions and deliberations with constituents.

The hon. member mentioned dependence and consultation. Consultations must be more than a feel good, giant warm fuzzy smurf ball that we are throwing out and let us all hug it and think we are doing something.

*Government Orders*

(1750)

There has to be a specific purpose to what we are doing. Before we can consult on the benefits of one program versus another, let us put some costs up front, let us attach some costs to it. Who in business would decide to go down plan *a* or plan *b* without first determining where plan *a* is starting and finishing? That is what is missing in the whole consultation review.

I have lived in the maritimes and have some considerable sympathy for what people have talked about in an area of the country considered to be chronically depressed. I do not think that is true. I do not think the maritimes are chronically depressed. As a matter of fact it is interesting to note that the Bank of Nova Scotia did not start in Toronto; it started in the maritimes. The wealth and power that existed in the maritimes for many years have gradually progressed eastward to Toronto and are concentrated in southern Ontario.

If I were a person living in the maritimes I would be on my feet screaming for a triple E Senate to give my region at least some power and say in the national decision making of the country. That fairness in the triple E Senate will go a lot further to putting the maritimes in a stronger financial position than all the equalization payments forever which have done nothing.

**Ms. Judy Bethel (Edmonton East, Lib.):** Mr. Speaker, I welcome the opportunity to participate in the debate on revising our social programs.

There have been questions in the House about the consultation process and some assertions that it is not genuine. There have also been statements that the discussion paper is out of touch with Canadians. Some have even said Canadians do not want to overhaul our social support system, while others have argued that Canadians want major reductions in our social programs.

I will deal with both those arguments, not by using conjecture or my own opinion but by using the results of a public forum on the future of social programs held in Edmonton East in June. The results of the forum were submitted to the government before the discussion paper was finalized. I am happy to report that the document tabled this month reflects much of what my constituents said. It is in touch with Canadians.

By way of background, in my first speech here I indicated Edmonton East is a microcosm of Canada in many ways. We have a very diverse population with a mixture of occupations, income levels, social and cultural backgrounds. All this diversity is similar to the diversity of Canada and was represented at the forum. The group had in common a desire to do what was best for local communities, what would best meet the needs of all people there. That is also the basic value that Canadians hold.

It is significant there was general agreement that our social programs needed to be revamped to accommodate current realities. I heard two general themes that night. One was an

appreciation for Canada's history of social programs as a good way to demonstrate caring and to build community. No one said to do away with them. Second were suggestions for modifications and improvements. No one defended the status quo as good enough.

There were differences of opinion, lots of them, as there are across the country. Even more, there was an appreciation that the government is ready to tackle the problem, not to destroy our heritage but to improve on it. The residents of Edmonton East also put forward some general directions for improving what we have and a number of specific suggestions. I am happy to report to the House that the discussion paper includes many of the suggestions. Let me highlight a few.

It was no surprise that increasing employment opportunities was a high priority in every discussion group. "Training is not much good without jobs", said one participant and others agreed. More worthy of note was the recognition that there is a positive role for government to play in job creation in partnership with the private sector and local communities. No one can solve the problem alone.

Of particular value for the coming months of debate in the House was the willingness of my constituents to recognize and to deal with the bigger question of how we define and distribute work in Canada. They want to see a better sharing of employment opportunities. They want to see that people who contribute to building our communities have adequate resources for their basic needs whether they contribute through traditional jobs or by doing the work that needs to be done, such as caring for children or community work.

(1755)

They recognize our economy may have a shortage of paid jobs but there is a lot of work to be done in the country. They said volunteer work was productive work and should be recognized by federal programs. They also recognize that employers sometimes exploit employees because the lack of jobs makes them vulnerable. "There is no accountability for employers in the present circumstances", said one participant.

Going one step further, we as a society need to come to grips with new ways to share the dignity of work and its just rewards. "Overtime should not be allowed when so many people go unemployed", said one person. Others questioned the belief that being home with children is no longer considered acceptable work. We look forward to the proposals that will come from the task force currently working on the question of distribution of work in our society.

Another strong theme was the need to improve training programs and educational opportunities. Residents show an incredible wisdom. They care about the quality of the programs and getting good value for their tax dollar, not about who delivers them.

*Government Orders*

Portable skills, on the job training and life skills were all suggestions that found their place in the discussion paper. One specific suggestion was apprenticeships for women at any age, recognizing that they may be re-entering the workforce after raising children. More opportunities for less academically oriented youth was another emphasis. We do not need just more access to university but more diverse kinds of education to develop the many different skills of our young people and help them find their niche in a global economy.

In addition to improving the quality of individual programs, residents want better linkages between jobs, programs and services. Income support programs need to be linked with training programs and training programs with real job potential. "Many of the good programs are too small", said one group. Several groups suggested replacing fragmented programs with a mix of guaranteed annual income and guaranteed employment.

The participants in the Edmonton East forum understood that cheap is not the same as efficient. They recognize that adequate support is necessary to achieve self-sufficiency. We need to invest in people if we want them to invest in building our country. People must be able to meet their basic needs in order to be productive, learn new skills or care for children.

Of particular importance in our debate is the emphasis on the needs of children and the importance of giving children a good start in life. To me an important test of the success of our revision of social programs will be whether or not children living in poverty in my riding are better off. Maybe Premier Kline can close his eyes to what is happening on the streets of my city. I cannot. I see poor children who are too hungry to learn well. Last week I met school children who are without warm enough clothing to go out and plant tulips in the Canada Remembers Program.

Everything is not all right in Alberta and that is not the vision of Canada we want for our children. Some may not see the connection between substandard housing, unemployment, frustrated young people and public safety. The residents of my riding know the connection because they live with it every day. They know what it takes to build strong communities and that is what they want governments to invest in.

That leads me to the last but perhaps the strongest theme I heard: the importance of community support, non-financial support. An income cheque does not create security. Young people and seniors need a sense of belonging and involvement in their community rather than isolation and alienation. Young families and children need more than money. They need community support for the important task of raising the next generation.

Edmonton is known for its strong neighbourhood associations and its many community run agencies that respond to local needs and help to build local community networks. This network is under severe distress, thanks to drastic provincial cuts without consulting the people affected by them. Ironically it is especially in times of uncertainty and rapid change like we are living through today that every community needs some social support services and networks.

The participants in the Edmonton East forum want the federal government to take an active role in co-operation with cities and local communities that know what needs to be done. If we do not want people to fall through the cracks and become dependent on federal government handouts, we must ensure that local communities, not just provinces, have a voice in deciding what kind of social support network is effective.

(1800)

Focus on local action, residents told me, not national committees or endless federal-provincial consultations. It is community networks for example which provide young people with a sense of belonging that leads away from crime to safer streets.

Perhaps our fixation on federal-provincial relations is too narrow. Perhaps communities, especially our large urban ones, should have a more direct voice when it comes to the social development of our country. The people in my riding are concerned that we are losing that sense of community that built this country and they want to rebuild it. This is the most important goal for our revitalization of Canada's social programs.

**Mr. Jim Abbott (Kootenay East, Ref.):** Mr. Speaker, I believe the member was in the House when I last asked this question about universality so she will know where I am coming from.

It must be said again and again that the Reform Party stands for ensuring that our country has the ability to be able to take care of those in our society who are most in need, the kind of people the member was just talking about.

However, with the greatest of respect to the other Liberal members who have responded to this question, I have yet to get what I consider to be a straight answer to the question.

Perhaps we could rephrase the question with respect to universality and say this. If we define universality as being programs that are not only available to all members of Canadian society, but that in fact just automatically come out to members of Canadian society, and if we recognize the problems, the difficulties that we have developed in Canada as a result of this process, and the fact that we are going to have to target to make sure that people who have the most need, whether it is old age security, health care, education, or whatever the process is, maybe we could define it and come down to something more precise.

*Government Orders*

Specifically, which programs would the member want to ensure remain under this universality blanket in its broadest sense? That way, rather than just a simple yes or no we can have a sense on where the member would see this going on the basis of the input that she has had from her constituents.

**Ms. Bethel:** Mr. Speaker, I appreciate the question. I think universality is perhaps one of the most undefined and misunderstood words that we have. I guess it is for that reason I will choose not to use it.

What I believe in and what is incredibly important to embed in all the programs that we offer, be they social programs or economic programs, is equity. That to me means that there is equitable access, that there is fairness and equity and everyone has equal, equitable opportunities.

The hon. member has asked what kind of social programs should be excluded. I really believe this consultation process that we are undergoing now is incredibly valuable. For one thing I think it has all Canadians focused on exactly what we need to offer in the way of social policy. What has come through very clearly is that we need to target those in need.

The other incredibly valuable thing that we have done is we have discussed this with those who receive the programs and the benefits, not just the provinces and not just those who deliver those programs but the people who actually receive them. What we find from that is that is where the wisdom and the experience with those programs comes from. That is where we see some of the very best suggestions of change on how to make those programs better, more efficient, more cost efficient and more effective.

**Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.):** I have a really short question for the hon. member.

You mentioned that your community wants more community involvement in the process. Can you see programs within the system where the community can take over part of what the federal government is now involved in?

(1805)

**The Acting Speaker (Mr. Kilger):** Before I give the floor to the hon. member for Edmonton East I would just remind my colleagues to direct your interventions through the Chair and not directly to one another.

**Ms. Bethel:** Mr. Speaker, I think what we have seen in the past few years is a real desire by communities to be self-sufficient, in essence to take care of their own needs. If those needs relate to children, whether they be recreation or nutritional programs or whatever, I certainly see there being real value in community groups and organizations taking over those functions.

It is important to know that those organizations will need some kind of support to get them going. It is happening now.

[*Translation*]

**Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.):** Mr. Speaker, there is no doubt that the government can modernize our social security system and, based on the most recent polls, Canadians agree with that. But, first and foremost, we must all think about the kind of society in which we want to live. Together we must all search out the solutions which are appropriate for us. This is a matter of mutual responsibility.

We must, in particular, consider the way we spend and not just how much we spend. This is what the social policy reform is all about. We all agree that the problem has to do with the fact that the nature of work changed drastically over the last 30 or 40 years and that our manpower training programs are no longer adequate, given the new technologies and markets.

We all agree, including the opposition, that our rural and urban areas had a better trained labour force which attracted more investments and generated new jobs. This is why we proposed a two-tier UI reform: one to help people who normally work but sometimes need to rely on unemployment insurance; the other, with more emphasis on training, for those who have difficulty getting back or staying in the workforce. As you know, this is why a sub-committee was set up.

The second element of the proposed plan concerns post-secondary education. In Canada, education falls under provincial or territorial jurisdiction. However, since the early days of Confederation, the federal government has supported post-secondary education because of the fundamental link between education and employment.

That support has partly contributed to the establishment of our universities and colleges. Accessibility is the new great challenge which our post-secondary system must face. Indeed, our institutions must train and prepare many more people than in the past, and the training provided must be better targeted to the new jobs being created.

In fact, in the last three years, the number of jobs offered to university graduates has increased by 17 per cent, while jobs offered to workers with no post-secondary education has decreased by 19 per cent.

The idea that learning is only for kids and young adults is now obsolete. Canadians must be able to enjoy better education and training opportunities throughout their working lives. We are now talking about life-long training. We must modernize the system to avoid restricting access to education and training either for young Canadians who are just starting a career or for workers who want to keep up with the changing economy.

*Government Orders*

In a competitive global market, investing in learning is a wise decision from an economic point of view, but it must also be a shared responsibility. The goal is to maintain and extend access to post-secondary education and training.

Too many people spend years on welfare, when they could find work if they had efficient support to look for a job or further their education. The fact is that, since 1981, the number of welfare recipients in Canada has doubled to reach a little over three million.

Our social security system should protect the haves-not, that is the people who cannot work, the low-income families, the disabled or chronically ill and especially children living in poverty.

(1810)

One thing is clear: even if the Canadian government had a surplus instead of a deficit, we still would have to modernize our social programs. We need a social security system that is viable in the long run. We need a system that gives people the means to break free from the bonds of welfare or to seek separation from welfare, as the Opposition would put it. There is too much unemployment, too many children living in poverty. The time has come to act and to solve these problems.

This being said, we encourage Canadians to take advantage of the social security reform process to make their points of view known. In the weeks to come, a committee will hold hearings in all parts of the country. At the same time, hon. members will hold, as I did, public meetings in their ridings to consult their constituents.

Later, the Canadian government will discuss the review with the provinces, and I certainly hope, like a majority of Quebecers, that the Quebec government will take part in this Canada-wide consultation.

The facts are clear. We must concentrate our efforts on the most vulnerable. This is only just and fair.

No one, of course, expects the working paper to solve everything. It addresses a structural problem. It shows us the way to a society that is better adapted to the social realities of the year 2000. However, the Canadian government is also undertaking initiatives to resolve difficulties in all other areas, including a detailed examination of each federal program and the modernization of government operations. It is also taking concrete measures to help businesses take advantage of new technologies and enter foreign markets. That is why we have asked Jacques Parizeau to be part of the team that will leave for China in a few days.

It takes time and a lot of goodwill to bring about substantial reforms, but I can assure you that the Prime Minister, the government and the Department of Human Resources Development have the vision, the patience and the determination necessary to modernize our social programs and to adapt them to the needs of Canadian society and to the requirements of the next century.

[English]

**Mr. Jim Abbott (Kootenay East, Ref.):** Mr. Speaker, the member will know that I have a question.

I was interested in the response to my question about universality from the colleague who just preceded him. She said, and I think I wrote it down correctly: "We have to target to those in need", which of course has been the position of the Reform Party all the way through.

One thing has been really instructive. It perhaps sounds like I am trying to redo the election of a year ago, but it seems that this position that we have to target to those in need has been coming forward from the Liberal members seems to be unique to the members of the Liberal Party who have been elected to this House. During the course of the election I did not hear that.

When I said we have to target to those in need, what I heard from our political adversaries, some of whom happen to belong to that party, was: "Oh, you are out to destroy the social programs. Oh my goodness, what is going to happen now? We believe in the sanctification of the concept of universality".

I would like to ask this member exactly the same question. Perhaps I could ask him if he too would like to reflect back approximately a year ago, 364 days I believe, the anniversary of the election being tomorrow. I wonder if during the course of the election we could find anywhere in any of his speeches or his public pronouncements where he got up on a soap box and said: "I, a Liberal candidate in this election, say we have to target our social programs to those in need" or if he was like some of the other people who I was in contest with who were saying: "No, no, we can't do that. It must be universality". Has this member changed his position from the election?

**Mr. Gagnon:** Mr. Speaker, I think there is a well known concept here of accepting universality. If we look in terms of health care for example, all Canadians are treated in equal fashion. It is not an American system, it is a Canadian system. We can just take that as an example. We do believe in the universality of treatment. We do not believe in charging user fees for someone who needs cancer treatment, like they are doing now in some provinces, one being the province of Quebec and, if I am not mistaken, in the province of Alberta where they have made considerable cuts in health care.

*Government Orders*

(1815)

It is not the opinion of the government or myself as the member for Bonaventure—Magdalen Islands to accept such cuts in that domain.

That being said, the concept of universality in health is maintained but there are other aspects as well in terms of where we should reorient our services, the caring for children, trying to do more for those who are impoverished.

We are also looking at the possibility of maybe reorienting our program on high income earners for child care. That money should be used for those who are really in need.

We are looking at universality one way or another across Canada but at health care where it is really needed. There should be no class differentiation between a cancer patient in Quebec or a cancer patient in Alberta. They are all suffering from the same disease, therefore they should all get the same treatment.

**Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.):** Mr. Speaker, I will try to make this brief.

I was interested in the hon. member's adamant support for the universality of our health care system. I would like to compare the current problem we have in our health care system to that of buying a car.

If a person wanted to buy a \$20,000 vehicle and found that he had only \$15,000 and had to get the other \$5,000 from another source, who should be in control of the car? Should it be the person who bought the car and put the majority of the money in or should it be the lender who gave him the \$5,000?

Our current health care system is primarily funded by the provinces yet the federal government wants to call the shots, dictate the terms of the Canada Health Act. I would like the hon. member to respond to that.

**Mr. Gagnon:** Mr. Speaker, health care has nothing to do with buying a car. It is not a luxury, it is a right. Canadians have the right to equitable health care across Canada.

If the member wants to continue with these transfer payments—I am not expressing the government's position, I am expressing my own personal impressions—the provinces must recognize that we cannot stand for user fees. One cannot start creating private clinics across Canada.

We cannot say that because one person has money he will get cancer treatment and because the other person does not have money they will go into a U.S. system where they will have to rely on charitable organizations to pay for their health care.

That is not the Canada I grew up in. That is not the kind of Canada my grandparents built and believe you me, Mr. Speaker, my children will remain Canadians, when I have children. We

will still have universality. That is one of the hallmarks of Canada and especially of our health care system.

**The Acting Speaker (Mr. Kilger):** We have been known to make promises.

[*Translation*]

**Mr. Gilbert Fillion (Chicoutimi, BQ):** Mr. Speaker, let me tell you that I am shaken and even bewildered by this Liberal document on social programs.

There is nothing in that green book save proposals to reform our system on the backs of the poor. That, in my opinion, is a step backwards. Where are the commitments made by the Liberal government in its red book?

When will the government stop treating people in Canada, in Quebec, and other provinces like gullible fools? The government is hiding behind vague consultations that will drag on for months. Countless organizations will express their disappointment to the committee. They will be listened to politely when in fact the dice are loaded and decisions have already been made. The minister will cut \$15 billion in social spending. Those who will be affected are middle and lower class families.

The reform proposal is a shameful attempt to reduce the deficit and the debt on the backs of those people. The Liberal government has a smile on its face while it attacks the poor, not poverty.

(1820)

Above all, the government is not acting as a good government should. A good government should be more concerned with today's realities, that is excessive government spending for day to day operations and wasteful spending due to the refusal to abolish overlap between different government levels.

The reform has a very negative impact on those citizens who want to work and cannot find jobs and for whom there are no jobs. The government is creating second class unemployment for workers in uncertain jobs. These workers represent 40 per cent of the workforce. Among those uncertain jobs, many are cyclical and seasonal. Ask a lumberman to work when all the felling is done. Ask a construction worker to build when the work site is closed. Ask an independent worker to provide himself with contracts. It is ridiculous.

These people will have to find jobs that do not exist just to show their good will to the Liberal government. It is totally ridiculous and even worse because the government won the election with a platform based on three words: jobs, jobs, jobs. Was that just wishful thinking? There are still no results. The Liberal government has not yet understood that people in precarious jobs are already subject to economic instability. They want to add to their stress, to their feeling of helplessness and to their despair.

*Government Orders*

Another option is the social label. With this reform, the minister will impose mandatory employability measures, training programs and community work on the unemployed. What a mess! Hon. members opposite do not realize that to deal with structural unemployment, we have to change the structure of employment. The federal government should let the Government of Quebec set up its own manpower training system, and it will save money in the process by reducing duplication in this area.

Let the provinces be responsible for manpower training. Social security reform puts groups that have already been severely hit on the firing line. Young people, single mothers, seasonal workers, workers who are fifty and over, and the middle-class will be hit harder than anyone else. On top of that, they will pay higher premiums and receive lower benefits.

Women will be the first in line. The minister is undermining their financial independence, which they fought for bit by bit, for so many years. And it gets even worse. Is this the Liberal government's vision of the future? When the spouse's income becomes a factor that determines eligibility for unemployment insurance benefits? Does this mean women have the right to work but are not entitled to unemployment insurance if they lose their jobs?

The federal government is not focusing on the real problems. It sharpens the differences between classes in society. The gap between the rich and people on middle- and low-incomes will get wider. Society is becoming polarized. Furthermore, the government is introducing cuts in transfers to the provinces for post-secondary education, cuts totalling several billion dollars, which represents about \$300 million for Quebec.

With cuts like these in post-secondary education programs, CEGEPs and universities will have to raise and even double their tuition fees. It is clear that education will become an impossible dream for students of modest means.

(1825)

Students from socially disadvantaged families will have a clear choice: either they go deep into debt or they can forget about higher education. Yes, the choice is clear. Only one class in society will be able to afford higher education: students from rich and wealthy families.

To this, the Bloc Québécois says no. We refuse to set the clock back twenty years. Access to higher education is everyone's right, a right that students alone should be able to exercise on the basis of personal choice, and not on the basis of whether they can afford it. Students cannot afford to go into debt to get an education, and the minister's answer to that is unrealistic. He talks about using RRSPs. How can a student use an RRSP he does not have? The minister of course, will say he is referring to the parents' RRSPs. Yes, but the truth is that middle-class

parents need their RRSPs to live on during their retirement. If they were able to contribute to an RRSP, it was because they made certain sacrifices.

The Bloc Québécois is convinced the social security reform proposals presented by the Liberal government are merely a tool to strengthen Ottawa's centralist tendencies. The federal government is using every means at its disposal to appropriate the jurisdictions of the provinces and has no desire to cut wasteful spending and duplication.

The Chrétien government is cutting social programs instead of providing for consistent and comprehensive job-centred policies. It wants to reform the unemployed instead of dealing with unemployment. It is using this reform to become more and more involved in areas over which the provinces have exclusive jurisdiction.

Has the minister not considered some legitimate budget cuts? It would make more sense to work on recovery of bad debts totalling around \$6 billion. Withdrawing from areas of provincial jurisdiction would save another \$3 billion. Tax reform would provide an opportunity to measure and control the deficit. Hundreds of millions could be recovered in the process. Consider family trusts. I am sure that with the approach it has selected to reduce the deficit and reduce the debt and foreign interest payments, the government is on the wrong track.

What we need is genuine reform, genuine tax reform that will give us the resources we need to put the country's finances back on track.

**Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.):** Mr. Speaker, once again we hear about provincial and federal jurisdictions. Some say that the federal government is interfering in programs that are administered by Quebec.

Friday, I read in the *Le Soleil* the Lise Bissonnette's editorial about the costly failure of education in Quebec. According to an internal report of the Commission des écoles catholiques de Montréal on the drop-out problem in high school, the situation is a real mess. Now, this is the province's jurisdiction, Mr. Speaker. In the same editorial, I read that 46 per cent of the students registered in the French sector of the CECM drop out of school. That is what provincial jurisdiction gives us.

I also read that 3,000 young people, 50 per cent of whom are under 16, drop out of school on Montreal Island. Again, this is the province's jurisdiction. I also learned that in the disadvantaged areas of Montreal Island, eight students out of ten do not finish their secondary education. That study was done by the Commission des écoles catholiques de Montréal. I also read that generally speaking 35 per cent of Quebecers do not finish high school and that Quebec comes in one of the last among developed countries. I think it is time we stop hiding the truth and stop accusing the federal government. We have proof of what we say.

*Government Orders*

(1830)

Lise Bissonnette, who writes the editorial in a famous nationalist newspaper, challenges the Government of Quebec to address the problem once and for all. We have been waiting for 20 years to see Quebec assume its true responsibilities. It has the jurisdiction, let it exercise it. Now, we are told that the federal should transfer its powers to the province, but Quebec is not doing its homework.

**Mr. Fillion:** Mr. Speaker, as a former teacher in a Quebec composite high school, I must say that what is being described as a bad education system, is not. The 46 per cent that are being mentioned are students who drop out because they are not offered appropriate courses. The people who decide on the curriculum are being dictated to by Ottawa, and yet, the only one who knows what students need in their schools is the Quebec government. We have to take these statistics with a grain of salt.

If we have a 46 per cent drop-out rate, it is because we do not give these students the means to fulfil themselves; this will only happen when the Quebec government has full authority, when it holds the levers of power. Only then will we be able to take charge and give our students, girls and boys alike, all the options they need to fulfil themselves.

This is sure to have an impact on unemployment rates. In an area like mine, in the Saguenay—Lac—Saint—Jean, what is the use of training welders when, as we are talking, the unemployment rate is 16 per cent, and they are not in demand? We must train people in the branches for which there is a need. Only Quebec can pinpoint these branches.

**Mr. Jean H. Leroux (Shefford, BQ):** Mr. Speaker, on October 5, the Minister of Human Resources Development unveiled a document entitled: "Agenda: Jobs and Growth—Improving Social Security in Canada".

First, I would like to say that this work plan is misleading, and that the title itself is tantamount to false representation. Of course, the green book deals with jobs, but to my utter disappointment and that of all those who read it, growth is never mentioned.

It says on page 19, and I quote:

Many Canadian families lost economic ground during the 1980s and early 1990s. Overall, the average disposable household income has not grown since the early 1980s.

In recent years, increasing numbers of Canadians who cannot find jobs have turned to social assistance.

As you know, Mr. Speaker, more than three million people depend on social assistance, and this does not include some 960,000 workers who currently receive unemployment insurance. This, of course, does not include those who qualify neither for social assistance nor for unemployment insurance. This is a

disgraceful and intolerable situation in a country which claims to have the best social security system in the world.

When faced with such facts, how can the minister argue that he is talking about growth! He should have added the word debt in the title. It would have read: The growth of the debt and the social security of the future. It would have been a much more accurate title for his discussion paper and for the measures he intends to propose.

(1835)

To me, this draft action plan is simply a monograph on the state of employment in this country and the incapacity of federal programs to answer job creation needs.

The social security that the minister is seeking for the future in Canada will disappear sooner or later. This is the real agenda of the Minister of Human Resources Development and of the federal government he represents.

I should also say that the Prime Minister's speech conceals the real intentions of his government. He tried to make us believe that he feels for those who can no longer find jobs. In a speech before the Canadian Chamber of Commerce, he said: "We do not provide Canadians with sufficient assistance to find jobs and to keep their jobs. They do not get enough help from us to acquire the knowledge and expertise that will allow them to compete world-wide".

Paradoxically, this reform proposal, apparently designed to help the government make its system more cost-effective, will bring about major cuts in UI benefits, index-linked cuts in provincial transfer payments for social assistance and substantial cuts in provincial transfer payments for post-secondary education.

The Prime Minister talks about investing in our human resources and in learning. Why does his minister suggest that cuts be made in manpower training and income security programs then? Whom are we to believe? The Minister of Human Resources Development, the Prime Minister or the Minister of Finance, who is calling for major cuts? Which of them are we to believe?

The real purpose of this social programs reform is not to promote job creation and learning but rather to initiate the Minister of Finance's budget cuts. And this means cutting blindly in social programs across the board.

A secret document submitted to the federal Cabinet and published by the *Toronto Star* on October 5, indicated that another \$7.5 billion in cuts over the next five years were contemplated, in addition to the \$7.5 billion already announced in the last budget.

Furthermore, the Minister of Human Resources Development tells us on page 23 of his paper:



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If further measures are required to achieve the government's deficit target, they will be included in the 1995 Budget.

Mr. Speaker, they could not be more explicit.

The federal government's main objectives are clear: the first is literally to cut social programs and the second is to take control over areas of provincial jurisdiction, by maintaining a unilateral decision.

From reading the green paper, I see that most of the options presented are centralizing. So what are the Liberal government's real intentions?

First, it wants to take back large amounts from the poor and the middle class, then it sneaks into areas of provincial jurisdiction without even touching on the Canadian Constitution.

We must admit that the federal Liberal government timed its operation well. It waited for the results of the election in Quebec to present its draft working plan. Moreover, the minister now thinks that he can delay tabling his reform until the fall of 1995.

We now understand why the Prime Minister insists that Quebec hold the referendum on sovereignty within eight to ten months. The Prime Minister wants Quebecers to vote in the referendum before the social program reform is tabled.

The minister cannot go on hiding his intentions on the pretext that he wants to consult the people and the provinces some more. What, quite frankly, has this government been doing for a year now but consulting and reconsulting? And without really doing that much, we might add.

Since the minister showed no consideration for the first phase of consultation on unemployment insurance reform, why would it be different for his social program reform?

We in Quebec note that the federal government's timetable is based mainly on political events in Quebec, which confirms our fear that it wants to attack the jurisdiction of Quebec and of the other provinces.

(1840)

As the Official Opposition party in the House of Commons, the Bloc Québécois will participate in the reform consultation process, even though we feel that the government has already made its bed. Be assured, Mr. Speaker, that we will be there to defend Quebecers' interests. We also hope that the minister will have the decency to table his reform before the referendum on Quebec sovereignty.

Quebecers have a right to know what the federal government is plotting behind this whole reform. They will not be had a second time like in 1980. As we all remember, to win his cause, Prime Minister Trudeau told the people that no meant yes, and we know what happened next, namely the unilateral repatriation

of the Constitution without Quebec's consent, followed by the rejection of the Meech Lake and Charlottetown accords.

My colleagues from Timiskaming and Saint-Hyacinthe—Balog, who sit on the Standing Committee on Finance, have already made concrete and realistic suggestions for eliminating the federal deficit without touching social programs. These suggestions are as follows. First, recovering bad debts, which would bring in some \$6 billion. Second, the federal government's complete withdrawal from areas of provincial jurisdiction, which would generate at least \$3 billion. Third, reforming taxation of family trusts, which would bring in between \$300 million and \$400 million. Fourth, cutting subsidies to unproductive and non-competitive businesses, which could save \$3.3 billion. Fifth, cutting the defence budget by \$1.6 billion. Sixth, withdrawing at once from Hibernia, which will cost federal coffers \$250 million this year. These are concrete measures proposed by the Official Opposition to help eliminate the federal deficit without touching social programs.

In conclusion, this paper should have put more emphasis on the diversity of our labour markets and, as indicated by the polls commissioned by the Department of Human Resources Development, on the need to delegate to the provinces the responsibility of employment services programs as well as vocational training for welfare recipients.

Instead, with its reform, the federal government persists in trying to reduce the deficit at the expense of the poorest and of the middle class. The Liberal government targets those who already have nothing, namely the poor. In its discussion paper, the government uses the word employment in an abusive way, for there is no mention of any job creation strategy in it. Instead of tackling the problems of waste, mismanagement and lack of jobs, the federal government now targets the unemployed and the middle class.

I will end by saying that a member of Parliament also has a responsibility to protect the poorest in our society. We must represent all our fellow citizens and in particular those who are most often victim of prejudice or rejection: the poor, the unemployed, our seniors and, in particular, our young families. I sincerely think that this social program reform will not solve any of the problems which the government wants to tackle.

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## ADJOURNMENT PROCEEDINGS

[*Translation*]

A motion to adjourn to adjourn the House under Standing Order 38 is deemed to have been moved.

*Adjournment Debate*

## UNEMPLOYMENT

**Mrs. Francine Lalonde (Mercier, BQ):** Mr. Speaker, on September 19, in this House, I asked a question of the Minister of Finance.

(1845)

I stressed the fact that, according to Statistics Canada, the unemployment rate had risen by 0.7 per cent in August in Quebec and that it stood at 12.2 per cent. I said that in spite of a slight economic recovery and given the increase in population, Quebec still needed 210,000 jobs to reach its pre-recession level of employment.

Therefore I asked the Minister why did he not decide to create jobs by proposing concrete measures?

That was in September. We are now at the end of October and I must say that unemployment in Quebec is still at 12.2 per cent and the minister replied that 77,000 jobs had been created since the beginning of the year. These figures must be adjusted downwards because 28,000 jobs were lost last month, and 4,000 the month before.

This means that, despite the recovery, and despite the fact that the economic situation of Quebec may seem bright, it does not make any difference for the workers. Unemployment is still officially at 12.2 per cent and there are no forthcoming government initiatives that might help Quebec get out of this difficult situation.

I also asked the Minister of Finance when he would be reducing the UI premiums in order to lighten the burden of small- and medium-sized companies? When? The opposition has been denouncing the increase in UI premiums for over a year now.

The minister said it was an excellent question and that he was going to, but he did not. I will ask him again, and we will keep asking, even more so because he makes Quebec and Quebecers pay a high price in the first phase of the unemployment insurance reform. Billions, we now know it, billions have been accumulating in the unemployment insurance fund. The minister, contrary to what he says, contrary to what we can read in the green book, does not care about job creation, in Quebec at least, since he seems satisfied with the present situation.

I can only repeat my question: When is he going to lower unemployment insurance premiums? We cannot accept any other answer than an agreement to lower them now.

**Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, as the member pointed out, employment in Quebec continues to be below its pre-recession peak. This is an unacceptable situation, which this government intends to correct.

The weak employment situation in the province reflects the loss of 135,000 jobs and the rise in the unemployment rate of more than four percentage points in the three and a half years prior to the election of this government.

In less than a year since this government was elected, over half that loss has been recovered. From October 1993 to September 1994, full-time employment has increased by 102,000 in Quebec and the unemployment rate has fallen a full percentage point, from 13.2 per cent to 12.2 per cent).

At this rate Quebec will reach its pre-recession peak in seven months. The recent strong employment growth in Quebec and across Canada has been helped by this government's freezing of the UI premiums below the required statutory rate in 1994; and the implementation of the \$6 billion Federal Infrastructure Program to encourage capital expenditures.

Employment growth will be further helped by a rollback in the UI premium rate in 1995, as announced in the 1994 Budget.

The changes in the UI program announced in the last budget and the additional changes which will result from Minister Axworthy's social security reform will allow further reduction in UI premiums in the future. Because of lower payroll taxes, businesses in Quebec will find it easier to create jobs.

We have reasons to be optimistic that employment growth will continue. Employment growth in the past two quarters has been the strongest in more than five years.

Furthermore, growth in the economy is gaining momentum. In the second quarter, the real GDP grew 6.4 per cent (annual rate), up strongly from about four per cent in the previous two quarters and in 1993 as a whole.

All sectors of the economy are now contributing to and reinforcing the growth in employment. Surging exports led to a record real trade surplus in July. Strong growth in current and planned investments in non-residential construction indicates firms are beginning to expand their production capacity, which will require more employees.

Improving employment prospects have boosted consumer confidence and consumer spending.

However, for Quebec to share fully in the strong employment growth outlook for the Canadian economy as a whole, the political uncertainty about Quebec's future within Canada needs to be resolved.

**The Acting Speaker (Mr. Kilger):** Pursuant to Standing Order 38, the motion to adjourn the House is now deemed to have been adopted.

Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24.

(The House adjourned at 6.53 p.m.)

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