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Wednesday, June 7, 1995

Speaker: The Honourable Gilbert Parent

HOUSE OF COMMONS

Wednesday, June 7, 1995

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*English*]

ONTARIO ELECTION

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, tomorrow Ontarians will be called on to elect a new government.

Mike Harris and his crew are catering to the extreme right by promising unrealistic tax and spending cuts. I call on the Conservative leader to come clean with Ontarians and tell them exactly how these cuts are to affect education, health care and social programs.

I pledge my full support behind Lyn McLeod and her excellent team of candidates. I am convinced that if Ontarians focus on provincial issues and see Mike Harris for what he really is, a Mulroney clone, they will elect a majority Liberal government.

Mike Harris will cut education and create a two tier health care system. Mike Harris wants to bring us back to the future of the 1950s old boys network where you take from the poor to give to the rich.

Let us move forward with the realities of the 21st century and elect a fiscally responsible—

The Speaker: The hon. member for Anjou—Rivière-des-Prairies.

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[*Translation*]

MINISTER OF CANADIAN HERITAGE

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, the Bloc Québécois awards its prize for the best bungler to the Minister of Canadian Heritage.

After his murky role in the Ginn Publishing affair, his attempt to influence the CRTC's decision regarding a broadcasting licence, his decision to slash the CBC's budget and refusal to admit that he had done it, his embroilment of the CRTC in the

Power DirecTv matter, his less than timely visit to Los Angeles and its impact on the Seagram matter, the minister just keeps on going.

Why should we be surprised that the minister accepted to be the host of a \$2,000 a plate dinner organized by a lobbying firm? Why should we be surprised to see that the minister's office awarded that very firm three contracts?

In light of these revelations, one question comes to mind: Why does the Prime Minister protect this minister who is singlehandedly bringing down the semblance of respectability and ethical conduct that the government has so painstakingly built for itself?

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[*English*]

ABORIGINAL AFFAIRS

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, the native blockade at the Douglas Lake ranch has finally come to an end. It was taken down not because the RCMP enforced the law and removed this illegal blockade but apparently because charges against the four Nicola band members that were illegally fishing were dropped. Because the RCMP refused to enforce the law this whole affair has cost the Douglas Lake ranch around \$200,000. Who pays for that?

Now the chief of the band is warning that if progress is not made to their satisfaction more blockades will go up. The RCMP action will undoubtedly result in B.C. being transformed into a blockade battleground this summer.

This whole Douglas Lake affair is clear evidence that a two tier justice system is being actively pursued by the government. So much for equality and so much for equality before the law.

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ABORIGINAL AFFAIRS

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, on behalf of members of Parliament I extend congratulations to Superintendent Len Olfert of the RCMP and to other members of the force for their exemplary performance in fulfilling their professional duties of enforcing the court order to remove the blockade erected by the Upper Nicola Indian Band.

The barricade was removed in a peaceful and safe manner. The RCMP demonstrated a cultural appreciation, recognition and sensitivity that enabled a communication channel to be

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maintained between the members of the force and the First Nations leaders involved in this serious dispute.

Appreciation must also be extended to the First Nations peoples involved. Despite their serious historic grievances they were prepared to co-operate with the RCMP and agreed to resolve any differences through a process of negotiation.

This action bodes well for a satisfactory resolution of the issues. It once again reminds us why the RCMP is the most professional and respected police force in the entire world.

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ONTARIO ELECTION

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, I rise today to voice my opposition to the Reform Party like tactics being used by the Ontario Progressive Conservative Party during the Ontario election campaign.

Mike Harris and his party troops are spreading a gospel of fiscal fantasy. On the one hand they promise \$4 billion worth of income tax cuts; on the other they pledge to balance the budget in six years. On the one hand they would promise not to cut health care and education; on the other they would spend millions of dollars on end of pipe solutions, punishing youth in boot camps, a system that has already failed in the United States. Are they for real? To top it all off, the Harris posse pledges to take a 25 per cent pay cut if they fail to meet their deficit targets, targets set for some time after the next provincial election.

The people of Ontario do not need naive politicians who make lofty promises that do not make any sense. They need the McLeod team: realistic promises, realistic goals, good government.

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ONTARIO ELECTION

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.):

Mr. Speaker,

There once was a man from North Bay,
Who dreamed of a win on E-day,
Harris promised a tax cut,
Thinking we'd fall for that smut,
Sounds just like Mulroney, wouldn't ya say!

That is right, Mr. Speaker. We will not be fooled by the fairy tale provincial Tory election plan. We heard tall tales like these from Brian for nine years.

Economists are being polite when they express their scepticism about the Tory plan for balancing the budget. However, behind closed doors they are rolling on the floor laughing at Harris' Alice in Wonderland election ploy.

(1405)

Let us get real. The Ontario electorate is not so naive as to believe that a 30 per cent personal income tax cut will ever come their way. This comes from the guy who wants Ontario students to sell chocolate bars in order to subsidize the huge Tory tuition plan and the increases his party has planned for them.

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ONTARIO ELECTION

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, on the eve of the Ontario election I want to look at the hot buttons the Tories are pushing.

They are telling the people of Ontario that workfare will work. I was glad to see in the *Globe and Mail* today, the number one Tory supporter, that it has identified that plan as an unworkable policy clunker.

The Tories say that employment equity is all about quotas and if we just get rid of the legislation we will find all the jobs that we need for Ontario. That is simplistic and is a totally outrageous misrepresentation.

The Tories tell us they will cut our taxes by 30 per cent, they will balance the budget and they will not touch health care. We all want that but there is nothing in their plan that will get us there except perhaps a new Ontario health tax for individuals.

What bothers me the most is that they are speaking to the dark side of human nature. They are giving licence to us to attack people who are least able to defend themselves. It is unfair and unjust. The people of Ontario will not vote for that platform tomorrow.

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[Translation]

G-7 SUMMIT

Mr. Jean-Marc Jacob (Charlesbourg, BQ): Mr. Speaker, this morning the final press release of the G-7 Summit in Halifax, a summit that has not even taken place yet, was available to all. The source of this leak, which has embarrassed the governments of the six other G-7 countries, must be the Canadian government, the host of the summit. How confident the other G-7 countries must be of this government's reliability!

This amateurism puts us to shame. Quebecers and Canadians could be proud of the accomplishments of previous governments on the international scene. In earlier times, we were on the cutting edge of peacekeeping missions the world over. We once were the conscience of the western world regarding human rights. We once were the bridge between east and west, north and south, the United States and Europe. Today, the lack of imagination, of a vision for the future and the failure to see big have relegated us to a second rate role. The Canada of which so many people were once proud is no more.

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[English]

GOVERNMENT EXPENDITURES

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, on the eve of the election in Ontario I rise to outline yet another Liberal broken promise.

On page 20 of the red book the Liberals promised to reduce the professional and special services budget of the government by 15 per cent. What has happened? The professional and special services budget has increased by \$136 million.

The Department of Transport saw an 86 per cent increase in the need for special assistance over the past year. Even the governor general needed special help to the tune of \$87,000 more than last year.

This is just another example of the lack of Liberal will and ability to cut spending. Meanwhile the Reform Party has put forward more than 50 motions to eliminate wasteful spending in the main estimates which will be debated tonight.

Will the Liberals live up to their red book promises and vote for spending reductions? We will wait to see.

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ONTARIO ELECTION

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, Reformers, Tories, same old stories in Ontario.

Tomorrow is E-day and in Windsor and Essex county, the centre of the universe, we are ready. We live on the U.S. border and we can see the effect of Mike Harris style politics every day. We do not want Ontario governed by the republicans of the north.

We want universal access to health care. We want our brand new casino industry to thrive. We want good, competent, compassionate government: McNamara, Duncan, Pupattello, Crozier, Hoy.

Republican, Tory, same old story. That is not what Windsor wants.

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[Translation]

MIKE HARRIS

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, last week, a few days before the Ontario provincial election, the Association canadienne-française de l'Ontario, ACFO, held its annual convention in Toronto. This organization has defended the interests of Ontario's francophone community for decades.

The leaders of the Liberal, New Democrat and Conservative parties were invited to attend. Mike Harris, the leader of the Conservative Party decided, however, not to. Would Mr. Harris' decision not indicate how little interest he has in Ontario francophones? It would seem so.

(1410)

Ontario's francophones want a government that is sensitive to their needs, a government that is not afraid to respect their rights. Clearly, Mr. Harris has little concern for these claims and for the francophone community of Ontario in general.

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[English]

ONTARIO ELECTION

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, Ontario Conservative leader Mike Harris has promised a referendum on any future tax increases. This reads like Reform Party policy. Maybe the people of Ontario could call Mike on a 1-900 user pay service. His motto could be "when I want your opinion, I want you to pay for it". Mike could seek advice on issues that are important only to him, or Mike could do what Reformers are known for, ignore the people and vote the way the Reform politicians think best.

The people of Ontario want action and they want jobs. Liberal promises are real and they will be kept. In 1993 the people of Ontario elected only one Reformer. They have shown their common sense. Tomorrow they have a chance to once again reject doom and gloom and lots of empty promises by putting the Conservatives where they belong, as they did the Reformers, in opposition to stay.

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[Translation]

IMMIGRATION

Mr. Philippe Paré (Louis-Hébert, BQ): Mr. Speaker, the pathetic muddling of the officials of the Department of Immigration is getting worse at the Canadian embassy in Paris.

As members will recall the immigration department refused to grant a visa to the Algerian film maker Mrs. Koudil so she could present her film at the Vues d'Afrique festival. The department had to reconsider its position.

Then, visas were denied to three Algerian actors, who were to put on a play at the Theatre Festival of the Americas denouncing the rise of fundamentalism in Algeria.

Now, two Algerian grandmothers are drawing the officials' ire. These women are over 65 years old and want to visit their children and grandchildren living in Canada, as they have done in the past.

Oral Questions

We could talk of bad faith. The question is, does it lie with the ambassador or with the minister.

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[English]

JUSTICE COMMITTEE CHAIRMAN

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, will history repeat itself? Will the member for Notre-Dame-de-Grâce be removed from his position as the chair of the justice standing committee? Will the cowardly and shameful exercise of power be displayed one more time?

The anticipated removal of the chairman of the Standing Committee on Justice and Legal Affairs will be another example of the broken promises of the government to allow for more free votes in the House of Commons. It will be a blatant demonstration of this government's disregard for the principles of democracy.

I do not share the hon. member's political ideologies. However he has earned my respect as chairman of the justice committee as he has displayed an enormous amount of fairness and skill in his duties, particularly during the proceedings on the gun control bill.

Such an act will result in the justice committee losing a skilled and experienced chairman, a loss that will be greatly felt by members who sit on my side of the table and all members of the justice committee.

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ONTARIO ELECTION

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, the people of Ontario are getting wise to the reality of Mike Harris' ultra conservative policy. His pie in the sky promises of a 30 per cent income tax cut are an insult to the intelligence of the people of this province. How does he propose to juggle a massive tax cut and balance the budget without slashing essential services? He does not.

Mike Harris is deceiving the people of Ontario, shamelessly exploiting the discontent brought about by five years of NDP government. He is using it as a pretext to dismantle progressive and essential programs that the Liberals across this country have helped establish.

There is only one real choice for the voters in Ontario. Lyn McLeod has demonstrated her commitment to the people of Ontario by proposing realistic and workable proposals for change, realistic tax cuts to stimulate job creation, a balanced budget in four years, a firm commitment to cut \$3.5 billion from government spending while maintaining funding for education and health.

ONTARIO ELECTION

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, tomorrow Ontario goes to the polls to elect a new government.

The Liberals have promised not to increase taxes but to balance the provincial budget within four years. They have presented a responsible and prudent plan that recognizes both the government's fiscal responsibility and its social responsibility not to place the burden of reducing the deficit on the backs of the least advantaged in society.

(1415)

It is one thing to hold the line on personal tax increases. It is irresponsible to substantially cut them when facing a large deficit. Ronald Reagan showed us in 1981 what happens when taxes are cut without a sound economic plan. The rich get richer, the debts get larger, and the middle class becomes poorer.

The people of Ontario know that it will require leadership and not gimmicks to guide the province. Lyn McLeod and the Liberals will provide that leadership.

ORAL QUESTION PERIOD

[Translation]

CRTC

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, yesterday CRTC chairman Keith Spicer was very critical of the directives the federal government is about to approve with respect to direct to home satellite television services. He referred to these directives as illegal and condemned their unprecedented retroactive effect as well as their incredibly detailed content. Mr. Spicer said that government intervention undermined the independence and integrity of the CRTC and could lead to political interference with its operations.

My question is directed to the Prime Minister. Considering that yesterday, Mr. Spicer felt it was necessary to remind us that the government's authority with respect to communications did not extend to giving preferential treatment to certain friends, would the Prime Minister agree that these statements by the CRTC chairman cast doubts on the government's integrity in the case of DTH satellite television services?

[English]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, let us be very clear about what has happened here. The government has pursued a process which is set out very clearly in the Broadcasting Act. We have tabled a direction in Parliament.

Oral Questions

The job of the government is to make policy. It was for that reason we were elected. It is the job of the CRTC to implement policy. It is for that reason it was created.

We have tabled a direction in the House which is part of a parliamentary process. It sets out a policy which is in favour of competition and in favour of consumers. Consumers have asked for leadership. That is what we are providing.

If the Bloc Quebecois or the Reform Party would like to suggest either that the direction be withdrawn and that the monopoly created by the exemption order remain or that the direction be amended, let us hear their suggestions.

The direction is on the table of the House. It is an open, transparent and public process. We are looking for good policy. Let us hear what the opposition has to suggest.

[Translation]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, obviously these excellent arguments failed to convince the chairman of the CRTC who knows the subject inside out.

Some hon. members: Hear, hear.

Mr. Bouchard: My question was about the integrity of this government, and the custodian of the government's integrity, the person who is ultimately responsible for the government's integrity is the leader of the government. My question is directed to the Prime Minister, and I want to ask him to explain how he can claim that his government followed normal procedures in this case and acted with integrity, when we know that the orders were tailor made for Power DirecTv in which his son-in-law has an interest?

[English]

Hon. John Manley (Minister of Industry, Lib.): Once again, Mr. Speaker, the Leader of the Opposition chooses to confuse policy with accusations that have nothing to do with reality.

Let me remind him again that the origin of the issue was the issuance of an exemption order which effectively created a monopoly in the direct to home satellite sector.

Let me remind the hon. Leader of the Opposition exactly why the exemption order was created in the first place in the bill proposed by the former government.

(1420)

The explanatory note says that an exemption order exists as part of the technology neutral approach of the act. An example of a service which is technically broadcasting but which the commission would probably want to exempt is real estate radio.

What we have here is the use of the exemption order by the CRTC to authorize the entry into a very major component of the

broadcasting service in the country of direct to home satellite broadcasting.

It was never anticipated that an exemption order would be used for such a purpose. It is entirely appropriate that the government seek a transparent method of looking at the means of licensing and recognizing the entry into the market in this important sector.

[Translation]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I pity the CRTC! Someone is responsible for defending the government's integrity: it is the Prime Minister, and he is not saying a word. Someone is responsible for defending the CRTC in this House; he is not saying a word, and the Minister of Industry is trying to cover for these people. He is getting involved in something that is none of his business.

Some hon. members: Hear, hear.

Mr. Bouchard: I will give the Prime Minister another chance to act responsibly on this issue. I want to ask him how he can continue to claim he did nothing out of the ordinary and that the matter is being dealt with, when Expressvu, the competing consortium which had agreed to comply with the CRTC's criteria, has already made it clear that it would challenge the cabinet directives in the courts and that the CRTC will refuse to implement orders it feels are unlawful and also plans to bring this matter before the courts.

[English]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, throughout this issue the Prime Minister has acted with the utmost integrity by withdrawing himself from any discussion concerning it.

The government's objective is to establish a competitive environment in this important sector. Apparently there are plenty of legal opinions floating around. The hon. member knows very well that lawyers can be found to give opinions from virtually any point of view.

However, in this case we are confident we are acting entirely within the authority we have within the act. We have created a process that is open and transparent. We are seeking a policy that is pro competition and pro consumer.

Again I say to the Leader of the Opposition that if he has a suggestion to make on how the policy ought to be shaped, if he wishes us to listen to protect one particular interest, we will hear him.

The Speaker: I urge hon. members to make the questions direct and the answers a little shorter.

*Oral Questions**[Translation]*

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, my question is for the Prime Minister or his messenger boy. I do not know who will choose to respond. The Minister of Industry may feign indignation, but he cannot hide his own and the whole government's discomfort.

The chairman of the CRTC told the parliamentary committee yesterday that the government's power to issue directives never meant that it could take over the CRTC's role of setting Canada's broadcasting policy.

Does the Prime Minister or his messenger boy, his underling, not think that, by bypassing the usual decision making process in this matter, putting in place a special committee as proposed, and drafting a very specific order tailor made for Power DirecTv, the government usurped the CRTC's powers, as CRTC chairman Keith Spicer claims?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, we not only have the right to issue directives governing debate here in this House, but we also have the duty to set the best possible broadcasting policy for Canada.

(1425)

That is what we did. We have not heard a single word from the official opposition about the broadcasting policies it favours.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I will not take long. Given the kind of answer I am getting, I will try to make my question shorter and clearer. Perhaps then the minister will understand.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Impossible! It is impossible for him to understand.

Mr. Gauthier: Given the absolutely unprecedented attack by the CRTC chairman—not just anyone but the person appointed by the government to head the CRTC—, how can the minister continue to claim that the government followed normal procedures in this matter? How can he make such a claim, when it is quite obvious that all government decisions have directly benefited Power DirecTv, in which the Prime Minister's son-in-law has interests?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the problem with the hon. member's thesis is that it is wrong. Our order did not favour anyone. We proposed that the CRTC create a licensing system for everyone. We did not ask the CRTC to favour a specific group, company or individual.

[English]

The exemption order does that. It is an exemption order which is not subject to any appeal. It exists for a very limited purpose within the statute.

We have set in process a means of determining a policy which we think will be better in the interest of Canadians and the interest of consumers.

I have yet to hear from the hon. member whether he disagrees with the expert panel, whether he disagrees with Friends of Canadian Broadcasting, whether he disagrees with the Consumers Association of Canada, all of whom say this is what we should be doing. That is the advice we are taking, not his.

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MINISTER OF CANADIAN HERITAGE

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, section 23 of the federal conflict of interest code includes this guideline:

A public office holder shall take care to avoid—the appearance of being placed under any obligation to any person—that might profit from special consideration on the part of the office holder.

In September the heritage minister blatantly broke the guideline. He did not avoid the appearance of conflict of interest. He participated in a private dinner at which guests were invited to pay \$2,000 for access to the minister and after which several received government contracts.

The Prime Minister was therefore clearly wrong when he said in the House yesterday that “the minister has contravened none of our rules or directives”.

Will the Prime Minister, before he digs himself in any deeper, now demand the resignation of the Canadian heritage minister for violation of this guideline?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I replied to these questions yesterday. I said that ministers have been engaged like all members of Parliament of all parties in fundraising. The names of the people and the amount of money have been transmitted to the party according to the laws of Canada. Every minister and every member of Parliament are doing that. Everybody has to do it according to rules set out by the elections act. In this case the minister has followed that.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, in 1987 Conservative cabinet minister Roch LaSalle held a \$5,000 a head cocktail party in a private home for a group of business people with interests in his department.

The Liberal opposition declared this to be a conflict of interest and demanded the minister's resignation. Prime Minister Mulroney, that great guardian of public ethics, eventually asked LaSalle to resign.

In 1994 the Liberal heritage minister held a \$2,000 a plate dinner at a private home for a group of business people with interests in his department. We demand his resignation and declare it to be a conflict of interest, but the Prime Minister denies there is any wrongdoing.

Oral Questions

(1430)

Will the Prime Minister now abandon this double standard and raise himself to the ethical standards of Brian Mulroney and demand the resignation of that minister?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I repeat all that has been done according to the information I have is the member has contributions, the money has been paid to the Liberal Party of Canada and we know the names of the people and the amount, as every party does. Some of the contributors to that dinner have also given money to the Reform Party.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the red book of the Liberals makes reference to ethics being the discipline of discerning right from wrong. By his answers yesterday and today the Prime Minister displays a disappointing ability to tell right from wrong where patronage is involved and where influence—

Some hon. members: Hear, hear.

Mr. Manning: The justice minister and the minister of public works are wrong over patronage. The Minister of Canadian Heritage is wrong over conflict of interest and the Prime Minister is wrong to defend those types of errors.

In the name of red book ethics, will the Prime Minister start today to do the right thing and demand the resignation of the minister?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have replied to these questions and the hon. member has not put forward any new facts.

We have the names of the people who contributed to the Liberal Party at this occasion. The names were printed in public documents. It is part of the political process of contributions to the party. As I said yesterday, the contributors did not receive a contract in relation to the government. Most of these contributions came from corporations which gave to the Reform Party as well.

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[*Translation*]

CRTC

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, we are not fooled by the government order, which has a double objective: help Power DirecTv and hinder Expressvu.

Canadians' confidence in the integrity of the process that led the government to favour Power DirecTv was strongly shaken by the striking revelations made by the chairman of the CRTC.

My question is for the Prime Minister. Does the Prime Minister not feel that, by letting the heritage and industry ministers undermine the authority and integrity of the CRTC in a

matter that benefits his own son-in-law, he is in fact condoning an unacceptable situation that was strongly denounced by the chairman of the CRTC?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, again, the facts are the following. We introduced a transparent public process. The directive issued in this House is open for discussion. It is possible for both the official opposition and the Reform Party to propose amendments. To date, they have not proposed any. Neither have they discussed the CRTC order in terms of the monopoly it set up. Consumers in Quebec and Canada prefer that there be competition in every sector. In the emerging satellite broadcasting sector in particular, there is no reason for not having open competition.

We are on the side of consumers. We are in favour of competition. What does the opposition have against that?

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, there is a limit to leading people down the garden path. With Expressvu, there was no monopoly; Power DirecTv, however, did not meet CRTC requirements. That is why he wants to prevent the start-up of Expressvu.

Some hon. members: Hear, hear.

Mrs. Tremblay: Given that the Prime Minister's senior adviser was kept abreast of progress on the Power DirecTv issue and that we now know that the government orders are illegal because they have a retroactive effect, how can the Prime Minister continue to maintain that the usual transparent procedure was followed in the case of Power DirecTv and that his son-in-law's interests did not carry inordinate weight in the matter?

(1435)

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I will not begin to take my legal opinions from this hon. member. We have acted entirely in accordance with the law. The Broadcasting Act is quite clear and we have followed it to the letter. We have tabled the direction in the House; it is there for discussion.

I have yet, despite numerous times today, to hear once from the opposition whether it thinks the directions should simply be withdrawn in order to create a monopoly for one company or whether it thinks the directions should be changed in some way. If so, let it propose it.

We are in favour of competition. We are standing up for the consumers. What is the opposition standing up for?

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MINISTER OF CANADIAN HERITAGE

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, talk about secrecy, the minister's office will not give us the entire list of who contributed to the fundraising dinner.

Oral Questions

Elections Canada has not yet made the names public, which makes me wonder why he thinks there were Reform funds.

Will the Prime Minister table the entire list of those who attended and those who contributed?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, our colleague has some good information because I gave it to her no later than this morning. She is flaunting around a piece of paper alleging to contain the right information.

The Speaker: I ask the hon. minister to please not use the paper as a prop.

Mr. Dupuy: If she wants me to compare what is on her list with the truth I will be glad to do so either in the House or personally with her.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I asked for the entire list and I do not want to hear the Minister of Canadian Heritage question whether I am telling the truth in the House.

The code of conduct set by the Prime Minister for his cabinet ministers is so low that even Brian Mulroney could pass the test. The Prime Minister has insisted he will not investigate this mess, nor will the ethics counsellor. Even Brian Mulroney had the RCMP investigate the LaSalle dinner, a dinner not very different from this one.

Will the Prime Minister direct the RCMP to investigate this paid access to the Minister of Canadian Heritage?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, all the facts are known and there is no need for an investigation. The names and the amounts of money are known. The money has been paid to the Liberal Party. I discussed this with the ethics counsellor yesterday morning.

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[Translation]

CRTC

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

The minister has a responsibility to preserve the CRTC's independence, as well as that of Canada's regulatory process regarding broadcasting.

How can the Minister of Canadian Heritage associate himself with orders in council deemed illegal by the CRTC, which is responsible for implementing them, considering that, by virtue of his ministerial responsibilities, he must protect the CRTC's independence?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I will once again explain to the Bloc Quebecois that we did nothing to compromise the CRTC's independence, since we

followed a process which is provided for in the broadcasting legislation.

(1440)

The situation is very clear. There is a parliamentary process. We could debate the issue in this House. We have no intention of restricting the CRTC's independence. If Bloc members have a different view on the directive, they can share it. We are prepared to listen.

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, I hope that the committee will be as receptive to our amendments as the minister is in this House. My supplementary is also for the Minister of Canadian Heritage. How can the minister willingly ignore the criticisms made by the CRTC chairman, who has to call on public opinion to preserve the independence of his organization? Is this not a serious neglect of duty?

[English]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is very important the opposition understand what we are trying to do.

The complaint would have validity if there was an attempt to interfere with the CRTC's process, if there was an attempt in some fashion to determine who would receive a licence or who would not.

Instead we are dealing with situation in which the government is endeavouring to establish policy. That policy includes an obligation on the part of those who wish to provide direct to home satellite services of applying to the CRTC to obtain a licence to do so. Nobody would be able to carry on that business without a licence granted by the independent tribunal, the CRTC.

That does not in any way limit its independence. It is an appeal to it to use its independence in a way that is understood by the process to have a public application heard, debated, discussed and licences issued free of interference from the Government of Canada.

* * *

MINISTER OF CANADIAN HERITAGE

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, political contributions are not the problem here. Guaranteed contracts because of those contributions are the problem.

The government's approach to conflicts of interest is no different from the Mulroney gang. "If he had any information other than smear and innuendo let him summon the courage to make a direct accusation". Are these the words of the Prime Minister? No, they came from the lips of Brian Mulroney in defence of Roch LaSalle of all people.

Why has the Prime Minister adopted the Mulroney approach to political integrity and why will he not ask the heritage minister to resign?

Oral Questions

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have replied to that question. I have said many times that every member of the House is raising money.

The minister was involved in raising money for the Liberal Party of Canada. The money has been paid and receipted according to the law. We do that. I did it in Calgary, in Edmonton, in Vancouver; I do it all over Canada. That is the way political parties function in Canada. That is the way we can ensure it is fair for all parties. Every member of Parliament has the right to solicit money from people.

If you can prove a link between a contract and a contribution, do it. If you cannot, you do not have the right to speak because it is only—

The Speaker: I ask all hon. members to please address their remarks to the Chair.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, the Liberal red book promised to restore integrity to our political institution. It promised a Liberal government would ensure codes of conduct were met and that conflict of interest would become a thing of the past.

Only 20 months later Canadians are wondering whether anyone in the House other than the hon. member for Notre-Dame-de-Grâce remembers those promises, which he campaigned on, in the red book. If the government were serious about its election commitments the Minister of Canadian Heritage would be a thing of the past.

Why has the government again broken its red book promises to restore integrity to our political institutions?

(1445)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, they have asked the same question 10 times. I gave the answer that the money has been paid to the Liberal Party according to the law and I have nothing else to add.

* * *

[*Translation*]

CRIMINAL CODE

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, my question is for the Prime Minister and deals with another matter.

Yesterday, the Special Senate Committee on Euthanasia and Assisted Suicide tabled its report. It contains several recommendations regarding aggressive therapy, living wills, assisted suicide, euthanasia and more. The Prime Minister is already committed to a debate in this House.

Will the Prime Minister undertake to strike a House of Commons committee to review this matter, as the official opposition asked him to do last November?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, yesterday or the day before, we received the committee's report, which is being studied by the Minister of Justice. The member's suggestion to have a House committee review the matter is an interesting one. I will bring it up with the Minister of Justice, and if it happens to be in everybody's interest to have another committee, a committee of the House this time, study the issue, personally I have no problem with this.

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, regarding the issue of aggressive therapy, I would remind the Prime Minister of the 1983 Law Reform Commission report which recommended that the Criminal Code be amended, especially with regard to aggressive therapy.

Given the importance of the issue, and considering that there is general agreement to amend the Criminal Code with respect to aggressive therapy, will the Prime Minister undertake to act without delay and table a bill to this effect in this House?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, if there is general agreement, and if the fastest route is to table a bill, I have no doubt that that is what the Minister of Justice will want to do.

On the other hand, the member asked whether we would consider having a parliamentary committee review the matter; this could be another alternative. We might want to combine both. The Minister of Justice is going to take this under advisement and report to the House when he is ready.

* * *

POVERTY

Mrs. Eleni Bakopanos (Saint-Denis, Lib.): Mr. Speaker, in Canada a great number of women live in poverty. Quebec women have recently shown that they want governments to contribute to their economic equality.

My question is for the secretary of state for the status of women. Will the federal government take any real measures to meet the legitimate demands of women?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, I want to thank the member for Saint-Denis for her commitment and dedication. I must say our government is profoundly committed to the principle and the development of equality for women.

We have undertaken many projects in this regard. First of all, we restored the court challenges program. The Minister of Human Resources Development tabled a bill on employment equity. The president of the Treasury Board tabled the Employment Equity Act. The Minister of Justice has taken many initiatives in order to improve the Criminal Code.

Oral Questions

[English]

GOVERNMENT APPOINTMENTS

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, due to patently obvious Liberal patronage, the justice department in a case in Nanaimo, B.C. put a reluctant and inexperienced lawyer handling his first drug conspiracy case up against a seasoned defence lawyer. Predictably the case was thrown out.

Because this patronage issue has expanded beyond the three firms identified as being the revenue minister's ardent supporters, will the justice minister do the right thing to protect the people of B.C. and review his recent appointments of Liberal bagmen and hacks?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I cannot comment on the case because it is possible the decision will be appealed.

The lawyer for the crown, the prosecutor, was an experienced litigator and had been a representative of the attorney general since 1986.

(1450)

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, that is very interesting. He has been a representative of the justice department since 1986. This was his first case prosecuting drugs. Formerly he had prosecuted fishery problems. There is a difference.

Due to the interference of the revenue minister, a firm of 20 years' experience, MacDonald McNeely, that would have been handling the case, was let go. In spite of concerns expressed by myself in the House to the justice minister, concerns expressed by the RCMP in public and to the justice department and even the newly appointed prosecutor himself, the justice department still let him go ahead with the prosecution and he blew it.

I ask again, will the minister do the right thing. Will he get rid of the revenue minister's appointments and give the people of B.C. what they deserve, a properly run justice system free from patronage?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, prosecutions by the federal government take many forms.

The Criminal Code is a very large book. A lawyer can go a whole career and never have prosecutions under certain sections. It is extremely unreasonable not to allow a representative of the attorney general not to prosecute because he or she may not have had a previous case under that particular section.

[Translation]

KREVER COMMISSION

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

The national hearings on the tainted blood scandal allow members of the Krever Commission to hear witnesses in order to understand the events surrounding this tragedy. It happens that some decisions were made by federal political figures. Yet, these same people have not been invited to appear before this commission.

Can the minister assure us that her department's authorities have made all the information required to shed light on the decisions that were made between 1978 and 1985 by the various actors, including the political figures, available to the Krever Commission?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we want to fully co-operate so that we really know what happened. I am told that, indeed, all the information has been made available to Mr. Krever.

Mrs. Madeleine Dalphond-Guiral (Laval-Centre, BQ): Mr. Speaker, I got the minister's answer and would like to ask her another question.

Considering that at the time of the tainted blood scandal, Connaught Laboratories were controlled by the Canada Development Corporation, a federal corporation, how does the minister explain that no one on the board or in management of this corporation between 1978 and 1985 has been invited to testify at the national hearings of the Krever Commission?

[English]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the Krever inquiry is to look into what happened in the past.

(1455)

I personally or as the Minister of Health will not make any comments concerning any of the witnesses or any of the evidence that is being brought before Mr. Krever.

We await his final report. Mr. Krever is independent in deciding how to conduct his inquiry and we will continue to ensure that independence. We think it is very important.

* * *

CANADA POST

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, on seven previous occasions I have asked for a full public inquiry into the Perez affair. It has been denied every time.

The Prime Minister says he wants proof. Here are several documented instances. A Liberal member of the other place

received \$5,000 per month from Perez for several years. The chairman of Canada Post had his hotel in Spain paid for by Perez and his son received over \$100,000 from Perez.

We have more proof. An associate of Perez considered the payments to the chairman's son as part of the Canada Post deal. There is the proof.

Will the Prime Minister prove to Canadians that he has the high ethical standards that he claims to have by authorizing a full, independent investigation into the scandal?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, the hon. member opposite has raised this question on a previous occasion.

It would be inappropriate for the government to do anything because an RCMP investigation is presently under way. Proceedings are taking place under the Bankruptcy Act. This question was put to the president of the Canada Post Corporation when he appeared before the standing committee.

I understand the hon. member's desire to make further accusations against the individuals involved but it would be highly inappropriate for us to take action until those proceedings come to a full and complete ending. Thereafter decisions can be made.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, the bankruptcy investigation is one thing. The ongoing business of Mr. Perez with the government is what the government ought to be concerned about and that is current.

Mr. Perez is still very much a player here in Ottawa and seeking government contracts. My question is specifically for the Prime Minister.

Has he at any time received money from Perez? If so, is this clouding his decision—

Some hon. members: Oh, oh.

The Speaker: Colleagues, both the questions and the answers today have been quite forceful. I suggest with all respect to the hon. member that the question is impugning great motive. I would like him to withdraw the question if he would.

I will permit him to rephrase another question but I would like him to withdraw that question if he would.

Mr. Epp: Mr. Speaker, my sincere apologies. I meant no disrespect. I apologize and I withdraw the phrase.

I would like the Prime Minister to state very clearly to us what his reason is for not advancing an investigation with respect to the current operations of Mr. Perez and the dealings of the government. It is a matter of ethics.

Routine Proceedings

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, the issue should be very clear to the hon. member.

An RCMP investigation is under way. Proceedings before the bankruptcy court are taking place. For any minister of the crown, including the Prime Minister, to take any other kind of action would be inappropriate.

I suggest to the hon. member that he wait for the appropriate time when all of the proceedings are concluded. Thereafter decisions will be made.

* * *

(1500)

AGRICULTURE

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, my question is for the Minister of Agriculture and Agri-Food.

During the appearance of Assistant Deputy Minister Comeau before the agriculture and agri-food committee last week, extensive reference was made to memos written by officials of agriculture Canada that left the impression the government might not be fully supportive of the supply management system.

Could the minister clarify the issue and give his commitment to the government's support for supply management?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, with respect to the documents referred to in the hon. member's question, I am advised that Madam Comeau was not the author of the documents being complained about. That material was prepared for the previous federal government, before October 1993, and not for this government.

We have defended Canada's supply management system. If our Canadian supply management system is at some future date challenged by some legal means, by the United States or any others, Canadians may rest assured that we will continue our strong defence of supply management because we believe it is right as a matter of trade policy and trade law.

The Speaker: This brings to a conclusion the question period for today.

ROUTINE PROCEEDINGS

[Translation]

COMMISSION OF INQUIRY ON THE BLOOD SYSTEM IN CANADA

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I have the pleasure to table, in both official languages, a

Routine Proceedings

report entitled "Government Response to the Interim Report of the Commission of Inquiry on the Blood System in Canada".

* * *

[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 12 petitions.

* * *

COMMITTEES OF THE HOUSE

JUSTICE AND LEGAL AFFAIRS

Hon. Warren Allmand (Notre-Dame-de-Grâce, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the eighth report of the Standing Committee on Justice and Legal Affairs.

Pursuant to the order of reference of Wednesday, April 5, 1995, your committee has considered Bill C-68, an act respecting firearms and other weapons. Your committee has agreed to report it with approximately 61 amendments.

I want to mention that in considering this bill the committee heard 70 witness groups over a two-month period, representing all points of view. I want to thank all witnesses for their views on this important matter. I also want to thank the members of the committee, who co-operated through many long meetings to improve and to clear this bill.

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present to the House the 81st report of the Standing Committee on Procedure and House Affairs, relating to changes to the standing orders as they relate to private members' business and particularly to Standing Order 98.

The committee recommends that the prohibition against the second sitting day of the report and third reading stages of a private member's bill on Mondays and Fridays be deleted.

I urge all hon. members to read this fascinating report from the committee.

* * *

(1505)

**DEPARTMENT OF HUMAN RESOURCES
DEVELOPMENT ACT**

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.)

moved for leave to introduce Bill C-96, an act to establish the Department of Human Resources Development and to amend and repeal certain related acts.

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

* * *

CRIMINAL CODE

Mr. John Nunziata (York South—Weston, Lib.) moved for leave to introduce Bill C-331, an act to amend the Criminal Code (taking a sample of a bodily substance).

He said: Mr. Speaker, I am pleased to have the opportunity today to introduce this private member's bill, which deals with what is considered to be a gaping hole in the criminal justice system.

The bill I am introducing today would give the police the authority to require a suspect in a criminal investigation to provide a DNA sample.

It is unfortunate today in Canada that a person suspected of drinking and driving could be forced to provide a breath sample, yet someone who is suspected of committing a murder or a rape cannot be forced to provide a DNA sample.

The bill will allow the police to obtain a warrant from a justice of the peace requiring the person to provide a sample. Failure to provide the sample will result in a criminal prosecution of that particular individual, and the person's refusal to provide the sample can be used in court against the accused in the criminal proceedings.

As I indicated, this bill will fill a gaping hole in the criminal justice system. DNA evidence is a powerful, reliable form of evidence, which can be used to solve hundreds of serious crimes in the country that are unsolved at present. Not only can it establish guilt, but it can also be used to establish innocence.

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

Mr. McClelland: Mr. Speaker, on a point of order, given the gravity and the importance of the bill just introduced by my hon. colleague opposite, I wonder if hon. members present would give consideration to unanimous consent to allow the bill to go to second reading immediately.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: No.

* * *

PROGRAM COST DECLARATION ACT

Mr. Alex Shepherd (Durham, Lib.) moved for leave to introduce Bill C-332, an act to provide for improved information on the cost of proposed government programs.

He said: Mr. Speaker, this bill, an act to provide for improved information on the cost of proposed government programs, is something that is long overdue in this place.

Basically the bill would provide that any new programs introduced into the House are properly costed beforehand. That costing and the methodologies used therein would be supported by the auditor general. In other words, the auditor general would actually review the costing methods used and certify them as being appropriate. That legislation, wherever it is advertised and promoted, would also include certification by the auditor general and also the actual cost, not only of the total program but also on a per capita basis for all the taxpayers of Canada.

(1510)

I believe this would give us more control over our financial picture and would certainly give better information to the public on how much these programs cost.

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

* * *

COMMITTEES OF THE HOUSE

ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

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

I move:

That pursuant to its order of reference dated February 10, 1994, the date for the Standing Committee on the Environment and Sustainable Development to present its report to the House on its review of the Canadian Environmental Protection Act be extended to June 20, 1995.

(Motion agreed to.)

SUBCOMMITTEE ON HIV-AIDS

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

I move:

That the Subcommittee on HIV-AIDS be authorized to send a member of its research staff to the fifth annual conference on HIV-AIDS research, to be held in Winnipeg, Manitoba, June 8 to 11, 1995.

The Deputy Speaker: Is there unanimous consent for the motion just made by the parliamentary secretary?

Some hon. members: Agreed.

An hon. member: No.

The Deputy Speaker: There is not unanimous consent.

Routine Proceedings

PETITIONS

CRIMINAL CODE

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, I have in my hand two petitions I would like to table, pursuant to Standing Order 36.

HUMAN RIGHTS

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, I have two more petitions I would like to table.

HUMAN RIGHTS

Mr. David Iftody (Provencher, Lib.): Mr. Speaker, I too have some petitions I would like to table today, and with your permission I will read from one of them: "That because the inclusion of sexual orientation in the Canadian Human Rights Act will provide certain groups with special status, rights and privileges; that because these special rights and privileges would be granted solely on the basis of sexual behaviour; that because inclusion will infringe on the historic rights of Canadians, such as the freedom of religion, conscience, expression and association; therefore your petitioners call on Parliament to oppose any amendment to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms which provides for the inclusion of the phrase sexual orientation".

GUN CONTROL

Mr. David Iftody (Provencher, Lib.): Mr. Speaker, with your indulgence I will table petitions from my constituents on gun control: "That the proposed amendments to the firearms control legislation by Justice Minister Rock are unduly harsh and will waste dwindling financial resources while attacking the rights of law-abiding citizens; therefore your petitioners request that Parliament separate these two issues, proceed to strengthen the borders and strengthen measures to deal with criminal firearms but not proceed with the proposed enhanced controls on legal ownership of firearms".

[Translation]

HUMAN RIGHTS

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I would like to present a petition in due form under House regulations which was signed by 83 citizens.

The petition reads as follows: We, the undersigned residents of Canada, would like to draw to the House's attention the following: That some hon. members recently made hateful statements which contribute to the climate of intolerance, fear and violence in which lesbians, gays and bisexuals live; that more than 80 per cent of all Canadians feel that gays, lesbians and bisexuals are the victims of discrimination and that many gays and lesbians are harassed, beaten and even killed in the violent expression of that discrimination.

Routine Proceedings

The petitioners also note that the Canadian Charter of Rights and Freedoms guarantees all people the right to protection against discrimination, including, as recognized by the Government of Canada, discrimination based on sexual orientation; that the courts have ordered that we consider that the Canadian Human Rights Act prohibits discrimination founded on sexual orientation; and that this act should be amended to clearly show all Canadians that Parliament is truly in favour of equality for one and for all.

(1515)

Consequently, the petitioners would have Parliament amend the Canadian Human Rights Act in order to protect people from discrimination based on sexual orientation. I would like to add that this would bring the rest of Canada up to par with Quebec, which took that step back in 1978.

[English]

VIOLENT OFFENDERS

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I rise to present another petition in the course of action that has been undertaken on behalf of constituents who wish to halt the early release from prison of Robert Paul Thompson.

The petitioners are from all over Alberta and are concerned about making our streets safer for our citizens. They are opposed to the current practice of early release of violent offenders prior to serving the full extent of their sentences.

The petitioners pray that our streets will be made safer for law-abiding citizens and the families of the victims of convicted murders.

HUMAN RIGHTS

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, I am pleased to rise today to present a petition signed by constituents of Annapolis Valley—Hants.

The petitioners call on Parliament to put an end to discriminatory treatment in Canada by amending the human rights act to prohibit discrimination based on sexual orientation.

GUN CONTROL

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I am pleased to present a petition from a large number of my constituents on Bill C-68 respecting firearms.

The petitioners believe that the legislation does not put enough emphasis on controlling those who illegally use firearms, whereas it puts too many controls on individuals who legally use firearms. In particular, the petitioners do not believe it is appropriate to introduce mandatory and universal registration.

ASSISTED SUICIDE

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, I am pleased to present some 500 signatures of petitioners who pray that Parliament will ensure that the present provisions of the Criminal Code prohibiting assisted suicide are enforced vigorously, and that Parliament will make no changes in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

VIOLENT OFFENDERS

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, I am pleased to present a petition on behalf of a number of people who point out that women and children are becoming increasingly fearful of walking on our streets and in our neighbourhoods. The petitioners believe that many violent sex offenders are being paroled prematurely and are being released without proper treatment and rehabilitation.

They simply ask the Minister of Justice to take whatever steps are necessary to amend Canada's Criminal Code and parole system to ensure that safety and peace are returned to our neighbourhoods.

GUN CONTROL

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, I rise to present a petition with respect to Bill C-68 that is signed by many members of my constituency.

The petitioners state that the proposed gun control legislation by the federal government is not directed at the criminals causing unrest but rather at innocent sportsmen, hunters and gun collectors, and that the problem with criminals using illegal guns for crime is a critical issue that must be addressed, especially in Canada's large urban centres.

Therefore the petitioners request that the current proposed federal gun measures be withdrawn and that they be replaced with measures that deal directly with criminal offenders.

YOUNG OFFENDERS ACT

Mr. John Nunziata (York South—Weston, Lib.): Mr. Speaker, I have the pleasure to present two petitions to the House today. The first one deals with the Young Offenders Act.

The petitioners recognize the serious flaws within the Young Offenders Act. They call on the Government of Canada to make some serious changes to the act, including the lowering of the age limits which define a young offender to include children between the ages of 10 and 15.

They also call on the government to amend the act to allow for the publication of the names of young offenders after a second indictable offence.

CRIMINAL CODE

Mr. John Nunziata (York South—Weston, Lib.): Mr. Speaker, the second petition deals with section 745 of the Criminal Code which allows those convicted of first degree murder to apply to a court to have their parole ineligibility reduced to 15 years.

My private member's bill that would repeal the section is presently before committee. Nonetheless I am pleased to present the petition today.

TAXATION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36 I wish to present a petition which has been circulating across Canada. It has been signed by a number of petitioners from Calgary, Alberta.

(1520)

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society.

They also state that the Income Tax Act discriminates against families who make the choice to provide care in the home to preschool children, the disabled, the chronically ill and the aged.

The petitioners therefore pray and call on Parliament to pursue initiatives to eliminate tax discrimination against families who decide to provide care in the home for preschool children, the disabled, the chronically ill and the aged.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I rise on a point of order to ask the government House leader when I can expect to receive an answer to Question No. 137 which has been on the Order Paper since February 6, 1995.

I requested an answer from the government within 45 days. As of today, 121 days have passed. I have been more than patient. I have asked for the number of staff involved and the total cost of administering the current firearms control legislation.

It is absolutely vital that we have this information before report stage debate in the House.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am sure the hon. member appreciates the difficulty in obtaining information such as he has requested when the information no doubt has to be acquired from sources across the country.

I know the government officials working on this answer have been working on it diligently ever since the hon. member put it

Supply

on the Order Paper. I have every confidence I will be in a position to provide an answer to the hon. member soon.

The Deputy Speaker: Are members agreeable to letting the other questions stand?

Mr. Breitkreuz (Yorkton—Melville): I need the information by Thursday.

The Deputy Speaker: I am sure the parliamentary secretary heard that.

Mr. Milliken: Mr. Speaker, I ask that all questions be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that all Notices of Motions for the Production of Papers be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[Translation]

SUPPLY

ALLOTTED DAY—MAIN ESTIMATES

The House proceeded to the consideration of motions for concurrence in the Main Estimates for the fiscal year ending March 31, 1996.

The Deputy Speaker: Today being the final allotted day for the supply period ending March 31, 1996, the House will proceed as usual to the consideration and passage of a supply bill.

In view of the recent practices, do the hon. members agree that this bill be now distributed?

Some hon. members: Agreed.

[English]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved:

Motion No. 1

That Vote 10, in the amount of \$1,329,481,000 under Human Resources Development—Employment and Immigration—Employment and Insurance Program—Grants and contributions, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

He said: Mr. Speaker, while it is normal practice that I would remain after my remarks on the matter to hear the initial

Supply

presentation of the opposition, another meeting requires that I leave after I make my presentation and answer questions and comments.

I will initially speak to the notice of opposition to Motion No. 1 as placed by the hon. member for Mercier and will deal with the substance of the expenditure recommended in the main estimates on that item. Also in the course of my remarks I will get into some general comments about the estimates.

We have 59 opposed motions with respect to the estimates today that we will have completed by ten o'clock this evening.

(1525)

With respect to Motion No. 1 which deals with vote 10 in the amount of approximately \$1.3 billion for the Department of Human Resources Development, this specifically being for employment and insurance program grants and contributions, I would ask that this allocation be concurred in.

Most members of the House will support the view that the employment and insurance program is one of the key elements in the federal government's social and economic development efforts. The program is comprised of three major activities: employment, unemployment insurance, and Canada employment centre management and joint services.

In the fiscal year 1995-96 it will be a transition year for the program as the department completes the integration of various components that came together with the creation of the new department.

The employment and insurance program develops and supports productive utilization of labour market resources in Canada while respecting the principles of equity in employment and ensuring the protection of public funds to promote the effective and efficient functioning of the Canadian labour market.

The main goal of the employment activity is to provide Canada's social security system with the capability to help people get back to work and the dignity that work brings to Canadians.

The activities and overall orientation have been redesigned to accommodate such tasks as increased focus on youth along with offers of increased planning and management responsibilities made to provinces and territories.

The objective of the unemployment insurance activity is to promote economic growth and flexibility by providing temporary income support to unemployed workers who qualify for benefits under the Unemployment Insurance Act without placing an unnecessary burden on individuals, on groups or on regions of the country.

The vote affected by the motion before us is in the federal government's main vehicle for delivery of employment devel-

opment services to Canadians who are out of work and not eligible for the unemployment insurance benefits of development youth initiatives.

The federal government payments from this vote will be used to assist Atlantic fishermen. They will be used to assist youth, aboriginals and other Canadians seeking to improve their job readiness and to enhance their ability to secure steady and productive employment.

Specifically the payments in the hands of the recipients are directed toward self-employment assistance, mobility assistance, job training and income support while awaiting training or not.

Funding provided from the vote represents the federal government's commitment to its belief that it has a role in manpower training within Canada and its efforts to work closely with provinces and territories to eliminate overlap and duplication in the area of manpower training.

I should like at this point to turn to some more general reasons as to why we should have the support of the House with respect to the main estimates for the current fiscal year, which I initially tabled in the House on February 28.

[Translation]

The main point I want to make is that Canadians want an efficient, responsible, and affordable government.

[English]

The 1995-96 main estimates help deliver just that by reinforcing the approach taken in the February budget to reduce spending and to reshape the role of the federal government.

Canadians support the budget in part because it is aimed at refocusing government on the key priorities and key needs of Canadians. It is about getting government right.

The estimates lay out planned spending department by department, program by program. They reflect tough choices on spending on programs the government has had to make to meet its fiscal targets, to get its fiscal house in order.

The main estimates detail in 80 separate volumes \$164.2 billion in total planned budgetary expenditures for this fiscal year. This includes \$116.2 billion under existing legislation and \$48 billion in expenditures for which we are seeking parliamentary authority.

(1530)

Why should we have members' approval for these expenditures? Because we have acted decisively to reduce the size of government as a result of the budget review process. Because we have rationalized the activities and programs we should deliver

and those that should be delivered by other levels of government or perhaps by the private sector or through partnerships. Because we must deliver quality services to Canadians that they need and quality services that they can afford.

Altogether, the estimates include \$2.3 billion of the total \$4.1 billion in expenditure reductions announced in the budget. They could not reflect the impact of legislative proposals to cut spending. They must indicate the reality of legislation that exists at that particular point in time. Nor do they include all the revenues to come from new cost recovery initiatives. As they are fleshed out and as they are further developed then of course they will become part of the process.

Nevertheless, they give a very good description of the government's expenditure plans and priorities. Canadians want affordable government. Canadians want us to deal with priorities. Canadians want us to provide efficient and effective programs.

Program review looked at our program expenditures and our services. That process has helped us to bring the size of government down by almost 20 per cent over the next three year period.

I would like to talk about how we carried out this review which was innovative and required a change in the approach by ministers and departments. I believe it has proven to this point to be very effective. We asked departments to review every one of their programs and activities and to check them against a series of tests. Members may have heard of the tests before but I think they bear repeating.

Some of the questions were what is the department's key role? What are the services that must be provided to people to here and abroad? What must be done by the federal government that cannot be done better by another level of government or perhaps by the private sector? Of the services that should continue to be provided by the federal government, which ones are being carried out efficiently and which ones are affordable?

As a result of program review and these various tests, we were able to collectively make the difficult decisions that were set out in the February budget. By 1997-98, in three years, departmental spending subject to the program review will decline by some 19 per cent relevant to the 1994-95 fiscal year.

Looking at this from a departmental perspective, each department has had to pinpoint areas best served by the private sector or other levels of government. The departments have had to focus on their key responsibilities to decide what businesses they are in and what they can no longer afford to provide. They are examining how technology can make their operations more efficient. I believe that technology can be an enabler to help our public service in the provision of more effective services.

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We are moving away from direct subsidies to business and putting more emphasis on repayable contributions. Departments are moving ahead on ways to recover costs of certain government services from those who benefit most directly. They are also merging similar types of programs to create greater efficiency.

I mentioned earlier that we want to deliver effective and responsible government that Canadians can afford. The expenditure management system will help us to do that. The revamped system which I announced in February of this year will help departments manage within available resources. It requires them to review their programs and spending continuously and to reallocate resources to meet changing priorities, not further adding to the tax burden.

The system we have put in place will help the government make responsible spending decisions by delivering the programs and services that Canadians need and that Canadians can afford. It also promotes a business planning approach that allows departments to focus on making changes to programs and lines of business to meet budget targets. It also provides flexibility to ministers and departments to help them manage within approved resources. The system will also help establish a more effective way of accounting for program results.

(1535)

Performance measurements. It will do so by requiring the government to deliver better and more timely information on program performance to Parliament. We are making the system far more results oriented.

This spring for the first time reports called "Departmental Outlooks" are providing parliamentary committees with information on the future year expenditure plans and priorities of departments. Very clearly this is bringing all members of Parliament into the process far beyond what has been the case up until this government took office.

[*Translation*]

This report provides committee members with the context for consideration of the Main Estimates.

[*English*]

As this is the first year for the outlooks, I am looking forward to seeing how the committees put the new information to use. My understanding is the reports are being well received by committee members and have been discussed as part of this year's review of the estimates.

I am aware that at least one hon. member opposite has questioned why the dollar figures for the main estimates I tabled on February 28 are not identical to those announced by the hon.

Supply

Minister of Finance in the February budget. I will be happy to explain that for the benefit of hon. members opposite.

(1540)

As I mentioned earlier, the main estimates cannot incorporate any budget measures that require the legislative approval of the House. Likewise, the budget includes planned spending for which Parliament's authority will be sought later this year in supplementary estimates, once program details are fully developed and approved. Also, some budget decisions were made too late to be reflected in the estimates documents that had to go to press. Members will know that the estimates were filed the day after the budget was presented in the House.

These are only three examples of the many technical reasons that the estimates and the budget figures differ, as they do every year. This is a normal situation because of the legislative restrictions.

I want to assure hon. members that we have the internal controls under the authority of the Financial Administration Act needed to achieve the full savings announced in the budget. The information hon. members are seeking will be set out in the public accounts. This report and not the estimates is where members can expect to reconcile the planned expenditures laid out in the budget with actual departmental expenditures.

Reducing the public service was not an objective of program review. It soon became clear however that changes of this scope would require reductions in the size of the federal workforce. As a result, we developed a program of options to help departments deal with the planned reductions and to help affected employees make a successful transition from the public sector. We intend to treat all of our employees fairly and reasonably.

These options include the early retirement incentive and the early departure incentive programs. Our goal in introducing these and other transition measures, for example training and counselling measures, is to be fair to the taxpayer as well as to the affected federal employees. I believe that the programs we have put in place to carry out the downsizing have balanced these objectives.

I am enthusiastic about the prospects of a smaller, more effective and more affordable government. I believe we can develop a government and a public service that will have a greater sense of satisfaction for employees, for the customers they serve and for the taxpayers that we all serve.

I suggest that members of the House should support our request for full supply in the 1995-96 estimates because the estimates reflect strong decisive action that meets our fiscal targets. They prove our commitment to being fiscally responsible by providing quality services to Canadians that Canadians need and that Canadians can afford.

[Translation]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, the hon. member's speech has given me further incentive to voice my objections to the vote in the amount of \$1,329,481,000 under Employment Insurance Program, money that is part of the Human Resources Investment Fund, since the hon. member just said that these estimates were the result of a program review by the federal government and concluded that they represented the most effective use of these moneys for all Canadians.

It would be appropriate to say at this point that, on all these policies for manpower and employment development, embodied in the estimates before the House today, in Quebec at least there is a consensus. The people of Quebec, through its representatives, wants these policies to be the responsibility of Quebec.

When we held our hearings on social programs reform, we heard the Association des manufacturiers du Québec—this was in December 1994—say the following in its presentation: "Such measures mainly involve vocational training programs, apprenticeship programs, direct job creation programs and work force adjustment programs". The Association des manufacturiers du Québec made it clear that these proactive measures should be the responsibility of the provincial government, in their comments on patriating federal budgets for manpower development to Quebec.

The labour unions were just as emphatic. They said that by initiating this debate on social programs reform, the government confirmed their apprehensions about the constitutional aspect, in other words, the present team in Ottawa was led by a consuming desire to make Canada a strongly centralized country. This objective, which was apparent throughout Minister Axworthy's Green Paper, was diametrically opposed to the reigning consensus in Quebec and, contrary to the designs of the federal government, members of the CEQ, the CSN and the FTQ firmly believed that only full and complete recovery by the Government of Quebec of control over all economic, social and cultural instruments would create an environment that was conducive to developing the full potential of Quebec society.

After these comments by the Association des manufacturiers du Québec and the labour unions, I need hardly recall that this abiding desire to control manpower training and, even more so, job development and job readiness training, has been manifest throughout Quebec's history. When the minister tells us that these estimates are the best expression of the effectiveness of the decisions that Ottawa can make, I would like to say, with respect, that as far as Quebec is concerned, he is wrong.

The G-7 summit, soon to convene in Halifax, confirms the apprehensions of Quebec about the central government's desire for further centralization.

*Supply**[English]*

Mr. Williams: On a point of order, Mr. Speaker, it seems to me that the hon. member is engaging in debate and this is actually the time for questions and comments. We are not all going to get a chance to question the President of the Treasury Board. Therefore, I ask that she limit her remarks to comments on his speech and a question.

(1545)

The Deputy Speaker: I do not think the hon. member was in the House when I asked if there were any questions or comments. At that time nobody rose so we went to debate. The hon. member is now speaking on debate.

Mr. Williams: I apologize if I missed that, Mr. Speaker.

[Translation]

Mrs. Lalonde: Unfortunately, Mr. Speaker, my hon. colleague cannot give me back my momentum.

The G-7 meeting in Halifax confirms our fear that the federal government intends to centralize further. The G-7, which includes the world's most industrialized nations, is concerned about education and job development. We understand this to be the current trend of centralized countries, and this is why we feel these votes must be controlled. The reason for our speaking out against the votes this afternoon is to say, in the only way this Parliament allows and on the budget, what we could not say during consideration of Bill C-76, which is that, as far as Quebec is concerned, at least, others may agree, the votes available should be transferred to Quebec as tax credits.

Why? For greater efficiency. The Conseil du patronat and the labour congresses are saying what they are saying, simply because Quebecers are a distinct people and Quebec is a distinct society with its own approach to its development. Its labour market is also distinct. And in the case of this measure, the only way to ensure efficient use of the rare public funds available for employment training, skills development and job development, the various job readiness programs is for them to be integrated. The key word is "integration".

The Standing Committee on Human Resources Development was concerned about integration for Canada as a whole. I think integration is what they are after and I can understand why, for the rest of Canada, it would be considered efficient to run it out of Ottawa. I respect this decision, because it is historically based. I submit, however, that differences in labour markets will mean integration will have to take these differences into account. In the case of Quebec, however, efficiency dictates the integration of all programs.

Last week's women's march evocatively known as the "bread and roses" march illustrated the need for integrated employ-

ment training policies. Why? The clientele of job development or job readiness program training are either welfare recipients or people who have never had benefits of any sort—women who have been at home and have to join the labour force, young people and people receiving UI benefits. The clientele is varied and, with the unresolved jurisdiction problem, we feel the only solution is for Quebec to have full control, even though elsewhere in Canada Ottawa has full control.

(1550)

The only way to be effective and to ensure this integration, to provide these people with the services that they need, whether they are welfare recipients or unemployment insurance beneficiaries or whether they never received any benefit, is to have an integrated system. As things now stand, however, that is impossible. Who is paying for this? The hon. members opposite? Us? No, ordinary Canadians, the people who have some needs.

This is why we are saying that there is only one way, in this sector, to be efficient. As federalist Liberal ministers from Quebec have said, we must agree that the manpower development policy must be the responsibility of Quebec and that the necessary funds and tax points be transferred to Quebec.

We are again faced with the problem of people who are falling through the cracks in the system, as we saw with the Carrefour Jeunesse-Emploi program. There were different types of clients, and the minister claimed that he had to put an end to the subsidy. This does not make any sense. Nor does it make any sense that we were not able to put forward an amendment to correct the situation, to have a debate and a vote on this issue. It makes no sense whatsoever that we should constantly have to plead, that we should be unable to control all the government funds to better serve the public.

I must add that within this budget, money going to job stimulation and employability has been reduced. We can question the fact that the money that will help people to get back to work, if it is used as effectively as is claimed, has been reduced. We can question that.

Yet, we can question even more that the money once taken from the consolidated revenue fund is, increasingly, being replaced by money taken from the unemployment insurance account. It is unacceptable to use the unemployment insurance account as a cash cow. It is important to point out that not all workers pay unemployment insurance premiums, but only those whose maximum earnings are \$40,000. I will check the figure. Anyone who works extra hours does not pay more than the maximum contribution limit. Therefore, it is in the employer's interest to hire people to work long hours.

Therefore, middle income and upper income workers are the ones who pay unemployment insurance premiums. Companies

Supply

with a lot of workers, those that have less equipment and use less technology than others and give work to more people also pay unemployment insurance premiums. Those companies that hire the most people pay the most in unemployment insurance premiums. So, it is the workers and the companies that pay for unemployment insurance.

Is it normal, and we mentioned that in the minority report we issued with the report of the Standing Committee on Human Resources Development, that workers and companies, through the unemployment insurance account, pay more for job stimulation, for employability? The government is drawing more and more on this account, and is withdrawing from contributions to the general fund. It means that workers and companies paying unemployment insurance premiums are doubly hit, doubly penalized.

The whole of society is desperately in need of such jobs—while taxes collected by governments are ever increasing—since a more healthy economy increases the general level of wealth. In addition, it is not the government nor the taxpayers as a whole, but the workers themselves who pay for that.

(1555)

The minister who, a while ago, made the important point that appropriations do not provide for everything mentioned in the budget, should perhaps answer the following question: When will appropriations and governmental spending reflect the additional \$700 million in cuts to unemployment insurance?

As a matter of fact, the government announced in the throne speech that an additional \$700 million in cuts or 10 per cent of the total contributions, in cuts would be made to unemployment insurance as of July 1996, which means that the year after, additional cuts will amount to \$1.5 billion. We fail to see where the \$700 million will come from, in the appropriations. Highly arbitrary decisions will be made without due consideration. We are told that this is the way things are done, but this is not really the right way.

The minister said earlier that the government had to make tough choices. In the case of employment development, which should be a key concern for a government that was elected on a “jobs, jobs, jobs” platform, we see that, on the contrary, the amounts from general funding have been reduced.

Yet, the new human resources investment fund, which is mentioned in the budget speech but does not appear in the estimates and which includes the appropriations I am referring to, has applications that come directly under provincial jurisdiction. According to a discussion paper distributed across Canada as part of the consultations on social program reform, the possibility of using the UI fund in a more flexible way in order to provide Canadians with better employment assistance will be considered.

In my opinion, the government’s intention with respect to this human resources investment fund is to use UI reform to fulfil that mandate. What does it say? “Greater emphasis on employment development services”. “Greater emphasis” requires more money. “For example, initial needs assessment, counselling services, literacy and basic skills training, on-the-job training and experience, child care services and income supplements”. Most of these functions currently come under provincial jurisdiction. It goes on to say, “The Minister of Human Resources Development will define program parameters in the coming months”. It is that simple. The minister has full discretion.

(1600)

The intention reflected in this appropriation, the budget and government action is that, far from being prepared to give back to Quebec what belonged to it in the first place, namely control over job development and manpower as a whole, the central government has set out to dip into the unemployment insurance fund to invest more money directly in areas of provincial jurisdiction.

In our view, this is unacceptable because it goes not only against the very essence of the distinctness, the uniqueness of Quebec as a people and a nation within Canada, but also against the most basic rules of efficiency, that the people of Quebec have been demanding in strong terms.

Let me remind you that those who need this money, these programs the most include, and there may be more, the 342,000 families on welfare and 320,000 jobless people in Quebec.

The sad truth is that, on the contrary, and I want to emphasize this as strongly as possible, this appropriation which, according to the minister, was reviewed on the basis of efficiency reflects a stubborn and deliberate failure to recognize the basic needs of ordinary people. Such an attitude tells many Quebecers that there is no time to lose, the situation has become so urgent that we can no longer afford to come and plead in this place, year after year, for those who are in the greatest need.

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, the hon. member for Mercier referred to the control of manpower training. She mentioned in her speech that she wants that control to be a provincial responsibility.

I have a question for the hon. member. Let us assume for a moment that the responsibility for manpower training is left to the provinces. Here, in the national capital region, over 30,000 people come from Quebec to work in Ontario, and vice versa. We often see the need for national standards on training provided to employees. Would the hon. member agree to the development of national standards by all the provinces working together?

Workers in Quebec could decide to work in Alberta, or vice versa, since they would all have received the same training. This would promote manpower mobility from province to province.

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Would the hon. member agree to the implementation of such standards?

Mrs. Lalonde: Mr. Speaker, that suggestion is very different from what I said in my speech. Quebec wants to control its manpower policy. It will try to harmonize it when it is in the workers' interests to do so, and not just with the rest of Canada, but also with the United States. Many people who work in the U.S. for a while, and then come back home. The same situation exists in Quebec.

(1605)

We are discussing totally different issues. However, I will say that we would have a better chance of achieving efficiency if—and the other provinces will have to make their own decision in that regard—Quebec controlled manpower and employment development policies, as advocated by the manufacturers' association. It is for reasons of efficiency that we have to be in control. Quebecers cannot agree to any other formula without relinquishing their own identity. It may be that, in the rest of Canada, people do not mind letting the federal government impose standards, but it is just not possible in Quebec.

The sooner Quebec assumes full control of that sector, the sooner we can have efficient and well-thought-out measures which will benefit the public.

[*English*]

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, in listening to the hon. Bloc member's comments, reference was made to Quebec and also Canada.

I remind the hon. member that at this time Quebec still is very much a part of Canada. Quite frankly, after the referendum I am quite sure Quebec will be very much a part of Canada. I want Quebec to stay a part of Canada. They want Quebec to stay a part of Canada. I am sure she will be surprised by the vote.

I do not agree with a lot of the comments made by the hon. member for the Bloc. I also do not agree with the way the Liberal Party proposes to operate the unemployment insurance fund and program.

One reason why we have the conflict between Quebec and the federal government is manpower training and funds for job creation programs. If the unemployment insurance program had remained as it was intended, a pure insurance program to provide temporary assistance for workers temporarily between jobs, we would not have all this bickering over the funding for job creation programs coming out of the UIC fund. One way we will solve some of the problems is to return the UIC program to a pure insurance fund, giving employers and employees the opportunities to make decisions on how it is administered.

Back when politicians had their fingers on the UIC program and decided to use it for job creation programs, historically government job creation programs have never, despite billions of dollars spent on them over the years, created real, long lasting jobs.

The government has to get out of the job creation program and get business back into the job creation program. Real jobs come from private business, jobs that last and that pay well. They do not come from government programs that end when the money has run out.

When the Liberal Party adopts this attitude, when the Bloc members from Quebec, part of Canada, adopt this attitude, maybe we will get the economy going again and there will be jobs and we will not have to worry about income supplements and money for job creation programs.

[*Translation*]

Mrs. Lalonde: Mr. Speaker, dear colleague, first I would like to say that the Bloc Québécois has been asking again and again in this House for a reduction in the rate for unemployment insurance premiums. I would also like to say that our minority report suggested that initiatives other than the unemployment insurance program should not be paid for with the unemployment insurance funds. We have been asking that employers and workers be given greater control over these funds.

(1610)

I must say, however, that we believe a number of measures, not all of them but some of them, will effectively help men and women who are temporarily out of work to find a job, by becoming more efficient or by developing new abilities. But we know, and have been saying so repeatedly, that job creation is of the utmost importance.

Having been a history teacher greatly interested in economic and social history, I would like to remind the hon. member that, even if at times there were no standards or regulations or unemployment insurance in the past, it does not mean that there was no unemployment, quite the contrary.

Also, there were periods when there were regulations and standards and when unemployment was lower. I will also remind the House, by the way, and I will conclude with this, that when the President of the United States tried to rally everybody during the Great Depression, he proposed standards, regulations, and salary increases for workers. Thanks to these measures and to the war, of course, there was an economic recovery.

[*English*]

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, today we debate the main estimates of the government. Later on we will vote on the main estimates. I doubt very much we will see any changes in the main estimates and therefore one has to wonder

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what on earth we are trying to accomplish by a debate such as this when the government stonewalled at every opportunity to decrease the estimates by even one dollar.

The House will be asked later on today to vote on over \$48 billion of spending, which has been reduced by the interim supply passed in April. This represents the new spending requested by the government. The \$48 billion is in addition to the \$116.2 billion in statutory spending already authorized by previous acts of Parliament. That brings the total spending to \$164.2 billion. I always thought we were in an era of deficit reduction, spending reduction, and yet it continues to increase.

In the past the House simply rubber stamped requests for spending by the government. I think in this day and age when we should have deficit reduction, we should have spending reduction, when it is paramount that we insist we get value for every dollar spent by the government, we should take the estimate process seriously.

Not since the 1972–1974 Parliament have we seen any cuts in spending. During the last 21 years governments have completely and absolutely stonewalled any opportunity by the opposition to reduce spending. That is why the spending was out of control over the last number of years.

In 1972 there were two reductions allowed, one for \$19,000 from a grant and \$1,000 from the president of the CBC's salary because there was a problem with the president at that point. One millionth of 1 per cent reduction was allowed.

Today as we debate the spending of \$164.2 billion in expenditures surely in the House and in committees, which have spent many hours this year debating the estimates, examining the estimates, we would have found some reasonable reductions. We feel we have.

(1615)

These motions have been put on the floor. We will find out whether this government is prepared to listen to this House and the Canadians who pay these taxes. We will see if the government is prepared to make some adjustments. I have my doubts and I have my reservations. However, we must wait and see.

I think it is time the government allowed Parliament to do its job to examine, make recommendations and approve the spending not rubber stamp, approve. Check it out, call the witnesses, listen to the justifications, find out if it is reasonable. That is all we are asking.

We are asked to approve. Therefore we should be entitled to have that type of insight into the estimates. Once we have that, if we find out there is room for reduction then surely it would be the honourable thing for this government to listen to the recommendations of these committees and approve the reductions.

The committees are all deemed to have reported to this House. They have agreed in many instances that the reductions put forth are reasonable, rational, and quite appropriate. What have they done? They defeated the motions. This government again is stonewalling and saying they will not tolerate any reduction in the estimates. It is a farce that has to change.

It is time the government stopped hiding behind this excuse of confidence. We look at history and see that it has been recommended that this confidence be weakened and reduced. There is the McGrath report of 1985, the public accounts committee of 1988, and the House management committee of 1993. Take a look at what they have said over the years.

Remember the rules of the House are largely based on the Parliament in London, England. The McGrath report said that from 1972 to 1979 there were 65 defeats of government measures in the British House, and this was not the end of responsible government. The government did not cease to govern. It was simply forced to modify or abandon some of its policies in deference to the House. That is all we are asking here. Surely that is not too much to ask. The British Parliament has recognized that. When the House speaks and requests a reduction in the expenditures, surely this House, which draws upon the rules and the experience of the House in London, should defer to the wishes of the people who sit here and recognize some reductions.

Recent British experience makes it clear that at present, losing a vote, even on a financial measure, is not automatically a matter of non-confidence entailing either the resignation of the government or the dissolution of the Commons. Remember this is from the contents of the McGrath report that was tabled in this House in June 1985. I am talking about the Canadian perception of what is happening in London, England. I am not just drawing upon their experience specifically.

A minority government of Pierre Trudeau lost 8 of the 81 recorded votes between 1972 and 1974. Setting aside the vote of May 8, 1974, which brought down the government, four of the lost votes were on government bills, two were on motions pertaining to parliamentary committees, and one was on a supply item, specifically on a supplementary estimate of \$19,000 for Information Canada.

That is exactly what we are debating today, reductions in supply. In 1974 that reduction in supply was approved and the government did not fall. Yet today the government argues that confidence prevents them from reducing the estimates. We have them speaking out of both sides of their mouths. It was a Liberal government back then that accepted a reduction in supply.

The Liberal government today has promised open, transparent, competent leadership and a balanced budget some time down the road, with a reduction in the deficit to \$25 billion in the first three years. That government sits here today and refuses to

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accept even one dollar's worth of reduction, even though the Liberal precedent recognizes that it can be done.

(1620)

The minority government of Lester Pearson lost three votes, again another Liberal government. Two were on appeals on rulings made by the Speaker. The third came on February 19, 1968, and ended with the defeat at third reading of Bill C-193, respecting income tax. This vote was regarded sufficiently serious to require the government to introduce a motion to the effect that the House did not consider its vote of February 19 as a vote of non-confidence in the government. This motion was passed, after debate, on February 28.

When the government loses an important vote, as it did on that vote in 1968, the government does not fall. It went on to introduce a motion of non-confidence and the government survived that vote. That is exactly what the Reform Party proposes as part of opening up the democratic process so that we can have freer and more open votes in the House and we can speak and demonstrate the will of the Canadian people.

If perchance we defeat a motion being proposed by the government, then we do not suggest that the government fall but that it be followed by a vote of non-confidence. If the government survives that vote, then the government shall remain in power. It is fairly simple, fairly clear and it allows this House to do its job.

Instead we make a mockery of democracy. We sit here in committee, we sit here in opposition, and we put forth motions. We debate them in committee and we hear from the government side that these are appropriate, they are reasonable, they are rational, they are legitimate. What happens? The answer is no.

The time has come to change. These are the types of things the Reform Party, as a matter of principle, speaking for Canadians, says. We hear what Canadians are saying. The government side is not prepared to listen. It stays with the old story of stonewalling all the way and saying that it is a matter of confidence when they find that its members agree with us that there are reductions available. Yet nothing is done.

We will see this evening if the government is brave enough to allow Parliament to do its job or if it will hide behind some outdated notion of confidence.

Before us at this time we have a motion prompted by the member for Mercier. It is to eliminate the funding for vote 10 in the human resources department, which is the grants and contributions under the employment and insurance program.

The largest single grant in vote 10 is for \$1,049,905,000. That is for payments to facilitate the efficient functioning of the

Canadian labour market. It is kind of fuzzy, but there it is. To be more specific, over \$1 billion is being spent on payments to provinces, territories, municipalities, and other public bodies, organizations, groups, communities, employers, and individuals—nobody is left out—for the provision of training and/or work experience, the mobilization of community resources and human resource planning and adjustment measures necessary for the efficient functioning of the Canadian labour market.

It is very specific. Nothing was left out. This is a very ambiguous justification for \$1 billion on that: broadly based, nobody is excluded, let us spend a billion dollars; anybody can come up with a program; let us approve it. When we talk about trying to create work, create jobs, get people back to work and we are going to spend \$1 billion in this fuzzy and unclear way, then surely it is time that we expressed an opinion, that this government listen to it, that we work together in harmony to achieve some real reductions in spending and go on to balance our budget.

(1625)

In part III of the estimates for Human Resources Development Canada we find that it says "support for the program review exercise by contributing to the deficit reduction and continued negotiations", and so on. That statement goes on to say that the focus is to reduce expenditures. Yet we find out that they are actually going up. These types of things we have called into question.

If the government truly wants to contribute to deficit reduction then it should begin by making some serious reductions in its spending, cuts in the range of 25 per cent to the grants and contributions. Overall, the human resources development that this vote pertains to has spending increases this year from \$32.827 billion to \$33.547 billion, and that is on top of the statutory spending, which we will not even be voting on today. Vote 10 has increased from \$1.281 billion to \$1.321 billion.

Also in part III, on page 258, we take a look at the government's real efforts to manage the department and reduce expenditures. On the personnel requirements, when we went through it comparing the actuals from 1993, just before the government took office, to its estimates today for 1995-96, personnel requirements have changed by the massive number of just under 80. The government reduced it from 19,479 to 19,392 people, a reduction of 87 people.

This is where the government is trying to say it will balance the budget in a very short period of time and it will give value for money to Canadians.

We take a look at the personnel requirements and we see that it has taken from the lower salary scales. It has taken 44 people out of clerical and regulatory, where the average salary is \$27,000.

Supply

It has taken 45 people out of program administration, where the average salary is \$41,000. Yet when we move up into the area of economic, sociology, and statistics, where the average salary is over \$57,000, we see an increase in numbers. When we take a look at the executive category, where the average salary is \$79,000, again we see an increase in numbers.

These are the types of things we questioned in committee. Yet what did we find? Stonewall. It cannot be changed. Why? I do not know why. I ask the government why.

When we take a look at page 258, on goods and services, again we find that comparing the actual 1993–94, where the spending was \$264.097 million, it has gone up to \$319.997 million, an increase of about \$55 million. We ask why. We get the answer from the witnesses and the senior bureaucrats who have come before our committee. We make recommendations. Is this justified? Can that be justified? Is there a good reason for these increases? When we find there is not and we make the recommendations for the cuts, what do we find? They stonewall.

That is why we feel a mockery is made out of the estimates process. That is why this Liberal government, with its commitments to good government, transparency, responsibility, open government, and a clear way to manage this country, has fallen far short of its responsibilities. Its broken promises litter the floor with the way it has taken every promise in the red book, ignored them, and passed them over in favour of what the government would consider pragmatic government.

We are looking for responsible government. We are looking for principled government where the government lives up to what it promises. That surely is not too much to ask. That is why we are saying confidence on the estimates must go. If the government feels threatened by a defeat on any particular motion then let it be followed by a motion of non-confidence. If it survives that non-confidence, then there is no threat.

(1630)

If we could introduce that as a matter of policy then the opposition and the government could work together to ensure that the Canadian taxpayer gets value for money on the \$165 billion that we spend on their behalf. This is what we are asking for and it is what Canadians expect.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, I was somewhat surprised to hear the hon. member attacking the public service of Canada when we know we have one of the finest public services in the world. I do not think taking a cheap shot at them was really called for in terms of what they are contributing or what they earn.

I will quickly move on to make the point that this government did something that was unprecedented when it opened up the process. It is the first time in the history of this country that a government has done a preconsultation on the budget.

I was elected on a set of promises that my party made during the last election. When I run I run as a member of the Liberal Party. To that extent, my responsibility is to vote with the party at least on the issues my party ran on during the election. For me to do otherwise is unfair.

At the same time, I have mixed feelings about having this open for every member of Parliament to vote the way he or she likes. If we are going to do that, then the government no matter which party it is in the future, will have to spend the vast majority of its time lobbying individual members of Parliament so they will vote for it. The reality is that the responsibility of a government is to carry through on what it promises the people during an election period.

How many times has the hon. member stood and voted against his party? During this past one and a half years we have seen the Reform Party day in and day out voting as a block. I am not saying that is wrong, but how often has the hon. member voted independently?

Mr. Williams: Mr. Speaker, first, I did not take any cheap shots at the civil service. I just mentioned the pay scales. I pointed out that the government seemed to be protecting those at the top while cutting those at the bottom which I do not think is fair.

I want to respond to the hon. member's main point where he said that he felt his job as a member of Parliament was to stand by the platform on which he was elected. On page 20 of the red book, the Liberals promised to reduce the professional and special services budget of the government by 15 per cent. He may read this on page 20 of the red book if he has not read it already. I presume he has not since he is standing here today saying he stands by the policies he ran on at election time.

The professional and special services budget has increased by \$136 million. If the member is going to say that he stands by the platform on which he was elected, he will vote against the motion that approves this \$136 million because two seconds ago he said it was the platform by which he sits on that side of the House.

The whole thing we are trying to point out is that Liberal broken promises are littered all over the floor. This is another one which was just repeated by the member over there.

My final point is that on several occasions members of the Reform Party have voted against the block of the Reform Party which totally defeats the point he made earlier on.

Mr. Strahl: Without any disciplinary measures.

Supply

Mr. Williams: Without any disciplinary action whatsoever.

Today, a longstanding member of the Liberal Party, a former member of the cabinet, has been turfed out of the chairmanship of the justice committee because yesterday he voted against the government. We have seen they will not tolerate it on that side of the House which is a disgrace.

(1635)

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I was interested in what the hon. member for the Reform Party had to say about a particular issue. Why is it impossible to change things? I think the human resources investment fund is a good example.

I think the federal government, probably because of the power of the bureaucrats and also the impression that Ottawa can solve all Canada's problems for Canadians across the country and that it knows all the answers, this attitude, in the case of the human resources investment fund, means that the federal government will go on spending vast amounts of money but in addition, as in this particular case, it will be other people's money, because the money in the Unemployment Insurance Fund is provided by employers and employees. There is no government money in that fund. The federal government uses the fund to intervene in areas under provincial jurisdiction, especially education and manpower training. So when a member of this House wonders why change is impossible, one reason is that the federal government refuses to respect these jurisdictions and thus control its spending.

Now I realize that the Reform Party says we are separatists and do not want to go on being part of Canada, but even from a federalist perspective, would the hon. member not agree that in the case of the human resources investment fund, the government is committing fraud? Because if the money paid into the fund by employers and employees were not used in the human resources investment fund, do you know what we could do? We could gradually reduce employee and employer premiums so that the money, instead of getting lost in bureaucratic channels would go directly into the economy to create the jobs this society so badly needs and the present government has failed to create. What does the member for the Reform Party think of this approach?

[*English*]

Mr. Williams: Mr. Speaker, in response to the member's question, of course the federal government can spend money as it sees fit.

As a member of the opposition side, when I look at my colleagues from the Bloc Quebecois on my right, yes they are separatists. As far as I am aware, they always will be as long as

they call themselves the Bloc Quebecois and are committed to the breakup of the country.

The point Bloc members have been trying to make is that they want control over the money. It makes absolutely no sense whatsoever for anybody to think that the panacea of the breakup of the country is going to create jobs. It will do the exact opposite.

Separation of the country will cause unemployment to rise. If Bloc members were interested in helping the people who elected them to this place, they would be working to create employment, to reduce uncertainty, to create an economic climate where people could get work.

When I talk to people in the province of Quebec they seem to be the same as the people I talk to in the province of Alberta. They are concerned about mortgages, houses, careers, their kids and their future. Nobody I talked to was concerned about separation, other than the detrimental effects it will have on their futures. There may be a future of high taxation and low opportunity created through the concept the Bloc is trying to achieve.

Now we see that Bloc members have become totally unprincipled in the fact that they have watered down their separation message by saying: "Please vote for us. We want to separate if we can get some kind of economic association with Canada". I suggest that they put their shoulders to the wheel and join with all Canadians in recognizing that we have a responsibility to all Canadians from coast to coast to provide them with a future, secure housing, education and to provide them with the things they want. I can assure the member, separation is not one of them.

(1640)

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, I am pleased to speak to the matter of full supply of the estimates for fiscal year 1995-96. This year the main estimates total \$164.2 billion of which the government is seeking parliamentary approval for \$48 billion and new spending authority. The balance of \$116.2 billion represents statutory payments which have already received parliamentary approval.

The main estimates incorporate \$2.3 billion worth of the \$3.4 billion of 1995-96 expenditure reduction measures achieved through the government's program review. The comprehensive review was undertaken last fall to identify the federal government's core roles and responsibilities and to reallocate resources to priority areas in order to provide effective affordable government.

[*Translation*]

This program review was much more extensive than any previous across-the-board expenditure reduction initiative; every department was reviewed. As a result, all sorts of spending

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cuts and resources adjustments were decided, as evidenced by Mr. Martin's budget for 1995.

It all goes to show that the government is committed to cutting expenditures, streamlining operations and making drastic changes in terms of program availability and delivery. In a word, we are determined to redesign the federal administration.

[*English*]

Beyond the program review savings, measures already included in the main estimates are cost recovery measures which will generate new non-tax revenues, initiatives which require prior legislative approval, and other changes announced in the 1995 budget which simply were not finalized on time for inclusion in these estimates. In the latter cases the savings will be achieved through the lapsing of appropriated funds.

Let me give some examples of the types of changes resulting from the program review exercise. Government departments will focus on their core responsibilities. Federal and provincial overlap will be reduced, which is something a number of people have been asking for. Technological improvements will create efficiency gains. Costs of services will be recovered by new or increased fees charged to those who directly benefit from the services. Where feasible, similar programs will be merged to improve efficiency.

[*Translation*]

By concentrating our efforts in key areas of responsibility and improving program delivery patterns, we will be able to carry out the most significant downsizing of the federal public service since World War II.

If and when all the decisions made following the program review are implemented, the public service workforce could be reduced by as many as 45,000 positions over the next three years.

The President of the Treasury Board has prepared a set of options to ease the transition for affected employees as part of a program that is fair both to the people involved and to Canadian taxpayers.

[*English*]

The bottom line is that these main estimates are \$3.5 billion higher than those for 1994-95. However, as I just explained, some of the increase is actually overstated due to the program review savings not yet incorporated into these figures. Even so, at first glance any increase seems inconsistent with our major expenditure reduction efforts.

It must be noted though that the bottom line change is principally the result of an \$8.5 billion increase in public debt charges, to \$49.5 billion. The rising interest and servicing costs on the debt more than outweigh the significant savings achieved

through the program review and previous expenditure reduction measures. This underscores our acknowledged need to live within our means and the need for continuing deficit reduction aimed at moving us in the direction of declining debt charges.

(1645)

Program spending excluding public debt charges is \$114.4 billion or \$7 billion less than the 1994-95 estimates level. This is an important figure. By 1996-97 the impact of the program review savings will result in a decrease of 10.8 per cent relative to the 1994-95 level. By 1997-98 that decrease will amount to an impressive 19 per cent reduction in program spending.

[*Translation*]

Public debt charges come under statutory spending, that is to say expenditures already approved by Parliament. Statutory spending for fiscal year 1995-96 amounts to \$166.2 billion, or approximately 71 per cent of the main estimates. This is a \$4 billion increase over the 1994-95 main estimates. Besides public debt charges, statutory spending also includes the main transfer payments to Canadians for old age security, the guaranteed income supplement, spouse's allowance and unemployment insurance.

[*English*]

In addition, statutory spending includes federal transfers to the provinces under the fiscal equalization program, the Canada assistance program and established programs financing, providing assistance to Canadians for health care, post-secondary education and social assistance.

Established programs financing assistance to the provinces and territories takes two forms: cash transfers of about \$9.1 billion form part of these main estimates. Beyond that amount a further \$12.6 billion worth of tax transfers do not appear in the main estimates.

The total consolidated budgetary main estimates, both statutory and voted, of \$164.2 billion can be categorized into 11 sectors. Of these, spending in three sectors comprise over 76 per cent of the total estimates: social programs excluding the federal contribution to provincial and territorial social spending account for 30.6 per cent, public debt charges amount to 30.2 per cent, fiscal arrangements with the provinces and territories represent a further 16 per cent of the total. The balance or about 24 per cent is spread between defence, general government services, natural resource based programs, foreign affairs and international assistance, industrial, regional and scientific technological support, justice and legal programs, heritage and culture and the transportation sector.

Social programs comprise the largest area of federal spending at \$50.2 billion in 1995-96. This does not include an additional

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\$16.4 billion in major cash transfers to the provinces and territories for social purposes.

The objectives of the social programs are to promote the health and well-being of Canadians and to foster equality of access by all Canadians to the benefit of Canadian society. Benefits and services are directed at those most in need through a broad range of assistance programs. These encompass employment, health, housing and other initiatives which benefit aboriginal peoples, veterans, senior citizens, children, immigrants and the unemployed.

[*Translation*]

Generally speaking, the program review helped strengthen the primary mandate of the departments responsible for social programs, including Indian Affairs and Northern Development, Health, Human Resources Development, Citizenship and Immigration, as well as Veterans Affairs.

Reducing spending in priority social programs, a large number of which are closely related to the population increase, is a particularly difficult challenge.

These departments will have to pay greater attention to the streamlining of their operations, in order to function with reduced resources. This means that, more than ever before, social benefits and services will have to be provided to those Canadians who need them the most.

(1650)

A larger proportion of the costs related to these benefits and services will also be recovered from users who benefit directly from them.

[*English*]

Similar approaches are reflected in all program expenditure sectors within these estimates. For example, natural resource based programs in the 1995 main estimates are \$463 million lower than in 1994-95. The departments of agriculture, environment, fisheries and oceans and natural resources have redefined their core mandates in areas of expertise. More emphasis will be placed on the strategic use of public funds to promote sustainable development, enhance Canadian competitiveness and rationalize and recover costs.

The transportation sector estimates show a \$329 million decrease, as Transport Canada moves from direct involvement in transportation operations to focus on its core roles of developing policy and legislation, and setting and enforcing safety and security standards. Reduced subsidies paid by or to the transportation crown corporations and agencies also lead to significant expenditure reduction in this sector.

[*Translation*]

The streamlining of our operations, combined with the greater efficiency achieved through technology, has resulted in savings of \$209 million in general government services.

[*English*]

The main estimates also mark the implementation of a new expenditure manager system, one which reflects the government's commitment to funding new requirements by reallocating existing resources. The system will necessitate an ongoing evaluation of priorities, both within departments and government wide, and will lead to more informed spending decisions. Centrally funded policy reserves to support new initiatives have been eliminated.

[*Translation*]

The operating reserve managed by Treasury Board has significantly diminished, and its role has also changed. Traditionally, the reserve was used as an emergency fund to cover additional expenditures related to existing programs. Under the new expenditure management system, the operating reserve will, in most cases, fulfill the role of a banking institution.

Its main responsibility will be to provide additional financing for projects which have a significant impact in terms of productivity.

[*English*]

Departmental business plans will focus on strategic changes to programs and lines of business while the related outlook documents, a new initiative, will enhance parliamentary review of estimates and future year expenditures with emphasis on performance.

It is recognized that effective management within a fixed level of resources presents a challenge to ministers and departments. In that context, treasury board is examining ways to enhance managerial flexibility and to support reallocation efforts.

[*Translation*]

The 1995-96 main estimates, along with the related initiatives which I described today, clearly show that the government has taken a new direction as regards expenditure management.

[*English*]

Canadians have responded favourably to the changes put forward in the budget. They recognize that tough choices had to be made, that real change is necessary in order to implement the jobs and growth agenda and to get the country back on track. This year's estimates confirm that those changes have begun.

As I listen to the comments that have been made concerning the government's budget and the ensuring activity, I hear mostly favourable comments directed at the government. The Canadian

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people recognize it is easy to cut. But at the end of each cut is a victim, someone who is going to suffer as a result of the decision.

Surely the government must be doing things right. The official opposition suggests that we should not cut, we should be spending more. The third party suggests that we should have cut even more dramatically, recognizing fully that a lot of people have suffered as a result of budgetary decisions.

(1655)

Canadians understand you must go at this kind of exercise gradually. They want this kind of government. They do not want their co-citizens to suffer unduly.

If anyone is going to be fair minded about the budget and the ensuing activity, he or she will need to acknowledge that the government has taken an important first step at addressing the question of the deficit and the debt, at creating long term, well remunerated employment for Canadians and at addressing the whole issue of social programs that Canadians want for those who need them.

[*Translation*]

As I indicated, the government has taken a very important first step.

[*English*]

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, we listened to the hon. member articulate in his presentation numerous statistics, figures, rationale, justification for the Liberal Party's budget, a budget that fails miserably in meeting what this country needs.

The average Canadian trying to support a family is interested in only one thing. When on earth will there be some tax relief? The Liberals presented a budget that is to add another \$100 billion to the debt. It is to add another \$10 billion in interest paid on the debt. At the end of three years, according to their figures which are not exactly believable they will still end up with a \$25 billion deficit.

I would like the hon. member to tell me how he explains to a pulp mill worker in Prince George, B.C. who is paying in excess of 60 per cent of his gross income in taxes of all forms, how a budget like this, a budget that is to increase the debt, that is to increase the interest on the debt that must be paid out of taxes, can expect in the near future to have more disposable income in his pocket so that he can provide for his family.

Also, I would like the hon. member to explain to me and to the corporations and private business in Canada how the Liberal government appreciates the role they play when in the budget it increases corporate taxes. They are the ones who create real, long lasting, good paying jobs. How is he to explain to them that

the Liberal government is on their side and that their government wants them to provide more jobs, expand and invest in the country when there is no certainty whatsoever in the taxation levels that corporate Canada is to pay?

At the same time that the hon. member is rationalizing all the plans of the Liberal budget, how will he explain to Canadians the 1.5 cent a litre gasoline tax that affects everyone in the country whether they are private citizens or corporations that rely on the transfer of freight or vehicles running, flying in the air, taking trains? How will he explain that the government had to raise gasoline and fuel taxes by 1.5 cents a litre?

The average citizen is interested in only one thing. When will my taxes be brought down? When will overspending in the annual budget stop? The figures that the member just quoted might be for our benefit because we have access to all the details in the budget but the average Canadian citizen is not blessed with having all the details.

They are asking only the one question. I would like the hon. member to tell me how he is going to answer the average Canadian taxpaying citizen.

(1700)

Mr. Duhamel: Mr. Speaker, there are a number of questions and I will attempt to answer them all.

It is true taxes are quite high. It is also true that in the foreseeable future as a result of a debt that was more than doubled by the previous government, a debt we will have to continue.

Let us look at figures. When the previous government came into power the debt was roughly \$179 billion. That is the figure from the auditor general. When this government came into power it was almost three times as much. Let us put it in perspective.

That is one of the reasons the Reform Party will never get anywhere. It does not understand the big picture. It exaggerates. I am surprised that my colleague did not mention we are now spending \$7 billion less than in the 1994-95 estimates. I am surprised my colleague did not mention that as a result of the program review, a rational review to make sure government was doing what it ought to be doing, we have saved \$3.4 billion.

How I wish I had more time. I have a series of quotes, because I had anticipated the question from one of my Reform colleagues, applauding the Liberal budget, recognizing nothing is perfect. I have other quotes and I tried to find one positive one about the Reform budget in which the figures did not add up. I could not find one positive quote.

I find it very difficult to have a member of the Reform Party telling us we do not have it right when the majority of Canadians

think we are doing it right. It does not mean it cannot be improved but we have started in the right direction.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I have a brief question, one that needs to be answered very honestly.

He said the total budgetary requirement for the government is some \$164 billion this year, an increase of \$2 billion over last year. We need to commend the government for spending less than it could have, possibly less than governments of previous years would have spent. However, while we are experiencing all the cuts in the estimates we are debating today, we are spending more because of our huge interest payments. Those interest payments are growing every year because we are still borrowing.

I ask the member whether he acknowledges at all and if so to what degree that there is urgency in balancing the budget so hopefully we do not totally go down the tube. As has already been mentioned, the three year budgetary plan of the government adds \$100 billion to the present \$550 billion debt.

Mr. Duhamel: Mr. Speaker, in my enthusiasm in responding to the previous questioner I made a reference to the debt being \$179 million and it should have been \$179 billion. I apologize if that slipped out the wrong way. I do know the difference. There are 1,000 millions in a billion. I know my colleague will be happy to know that.

With regard to his question, it is a very serious problem. That is why we have reduced as much as we have. We recognize more could have been done but we also recognize that if we do it too dramatically we can destabilize society.

What is important is we made a commitment in our red book before the election and during the election that we would reach a 3 per cent of GDP target and we will do that. Once we have done that we will start attacking the debt. It is accumulating. We wish we could wish it away. There are no panaceas here. There are no magical solutions. There are no simple answers. That is what is sometimes offensive.

There is a suggestion that we could sort of wish it away. It cannot be wished away. It will take planning. It will take hard work. It will take the decisions that have been made, continuing in that direction.

Mr. Harris: Mr. Speaker, on a point of order, I fail to see a quorum in the House. I am wondering whether it is because Liberal members are not interested in this motion.

The Deputy Speaker: I will ask the clerk to count the members present.

(1705)

And there being fewer than 20 members present:

Supply

The Deputy Speaker: I am told by the Table there is not a quorum. Call in the members.

[*Translation*]

And the bells having stopped:

The Deputy Speaker: Since there is now a quorum, we resume debate. The hon. member for Kamouraska—Rivière-du-Loup.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I take this opportunity to discuss the motion on Vote 10, dealing with human resources development, and also ask the Minister of Human Resources Development to reflect on a consequence of the current budget, namely the major restrictions imposed to the Canada employment centres.

Let us do a bit of history. For several years now, there have been two manpower networks in Quebec: one managed by the provincial government, and the other by the federal government. The Quebec government already has jurisdiction over all the issues related to the labour market, including the Labour Code, the Occupational Health and Safety Act, the Labour Standards Act and the Collective Agreement Decrees Act.

As well, the federal government developed a network which was originally designed to maintain UI services and related programs.

Over the years, we realized that we did not have the means to afford two networks, and that we had to find a way to integrate them. In Quebec, a consensus was reached by all the stakeholders. The consensus was such that even the Quebec Liberal Party, a federalist party which was in office for several years, asked for an administrative agreement under which Quebec would manage the UI program over its territory.

That Liberal government created an organization called the Société québécoise de la main-d'oeuvre, which had the necessary structures, powers and programs to provide all the services related to manpower.

This year, given the budget constraints, the federal government had the option of saying: Yes, we will let the Quebec government assume full responsibility for manpower; this will allow us to make significant savings.

However, this is not the option chosen by the Department of Human Resources Development. Instead, it chose to reduce the number of its employees in the Canada employment centres across the country, so as to spread the cuts and make the process look like a reform or an administrative reorganization which will result in the creation of Canadian human resources centres. Some 20 to 30, if not 35 to 50 such centres would be established in Quebec. They would be like information booths or banking machines.

The fact is that, with this reform, this downsizing of every employment centre, under colour of seemingly commendable objectives, they will actually create appalling situations. For

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years now, we have been saying among other things that adequate consulting services should be made available to the unemployed. Psychologists and other manpower counsellors working with the unemployed should be in a position to do so.

As a result of the federal government's decision, there will not be one single employee left in smaller urban centres, only automated tellers. In medium sized centres, much fewer people will be assigned to and available to provide services to the unemployed, the service users.

The minister is currently considering suggestions made by bureaucrats, public servants. It may be useful at this time to remind him that, before moving to implement this reform, the main effect of which will be to reduce personal contact between people on UI and those who can help them, perhaps other options should be considered.

(1710)

Let me give you concrete examples. At the La Pocatière employment centre, in my riding, one of the most performing centres in Canada in terms of service requests processing speed, it had become the custom to automatically refer anyone filling an unemployment insurance claim to a counsellor. This prevented claimants from getting lost in the system or getting inadequate advice.

As a result of this measure, the staff will be cut by 17.6. I am not crazy about referring to people in terms of decimals; therefore, let us say about 18 people. After all the cuts are implemented, only 13 people will be left.

It is impossible to both reduce the number of employees and maintain or improve service at the same time. Therefore, the pilot project under way will probably have to be scrapped.

Let me give you another example. The employment centre in Rivière-du-Loup, which serves a vast area, was putting in place practices that would have made it easier to reach unemployed workers in the various communities scattered throughout the territory. Since staff will be cut from 48 to 38, the unemployed will go back to the old practice of merely sending a card to the employment centre. The impact of these cuts will also be difficult to assess, since people will turn to the employment centre more to collect unemployment insurance than to job search. This would run counter to the objectives of the government's planned contract with the people.

I would like to come back to what I was saying about information booth or banking machines. Imagine people who are not used to computers. The clients, who are often the long term or chronically unemployed, are people who freeze before the huge bureaucratic machinery. They have a hard time finding solutions. By making them use a computer and denying them the possibility of receiving individual service, we will put them in an intolerable situation.

What could have been done other than making cuts? In our opinion, the first, the real solution would have been to recognize Quebec's jurisdiction over manpower training and to transfer the employees affected, thus allowing us to correct some rather absurd situations.

For example, the federal network now manages 27 manpower programs, while the Quebec network handles 25. There are some 100 Canada Employment Centres in Quebec, whose services are duplicated by the Société québécoise de la main-d'oeuvre. This requires stakeholders in each region to spend a lot of energy working in concert with others to reach a consensus and develop manpower strategies adapted to local needs. People do so in good faith and make the system work because, if the Canada Employment Centres and the Société québécoise de la main-d'oeuvre followed national criteria and established procedures to the letter, the system would not work. There would be no way for the system to work properly.

As I was saying, we think that the first solution is for the federal government to give jurisdiction to Quebec so that Quebec can streamline operations to make the system work.

(1715)

Here is another example of measures which seem rather mind-boggling and which are the result of a bad decision. The department informed job search clubs, which are organizations co-operating with the employment centres and which are claimed to be among the priorities of the Department of Human Resources Development, that they will only serve UI beneficiaries.

The documents on the reform refer to more partnership agreements and more co-operation with all sorts of organizations capable of doing the job at a lesser cost. At the same time, job search clubs are informed that they will no longer be allowed to provide services to those who are not UI beneficiaries.

Just imagine knocking at the door of one such club, whose role is to help people looking for work, and being asked first whether you are a UI beneficiary. If this is not the case, you are out of luck, otherwise you may be referred to a Quebec labour department office.

The case of a person who does not get any UI benefits is truly mind-boggling. For example, a student graduating this year, who is not eligible to UI benefits, who is still a dependent, and therefore not eligible to welfare assistance, will not be able to get any help. I do not think this is the right way to treat people.

Before making a decision and following up on the proposals made by his officials, the minister should conduct a vast consultation exercise among MPs regarding the proposed administrative reorganization.

Such a consultation is important, both for the government and the opposition parties. It could be done regionally. For example, the members from Quebec, Ontario, the western provinces and the Maritimes could be invited and informed of the impact of

that reorganization on the employment centres in their ridings. I think this approach would shed a different light on the subject and be a useful adjunct to the studies prepared by bureaucrats.

Another concern linked to the estimates is the number of national advisory groups at the Department of Human Resources Development. Before cutting back on the number of employees in customer services, the people who provide services to the unemployed in all municipalities, in every single part of Canada and Quebec, it might be advisable to see if cuts could be made in these advisory groups which would be in line with the government's current budget requirements.

We are not saying that nothing should be cut. Obviously, considering the size of the debt and the deficit, we must all do our share. We all have to contribute. When we say all, we do not mean only the people assigned to customer services.

In the private sector, I think customer services would be the last place where they would cut staff. We have to consider what can be done, and I hope the minister will ask all members for their views on the reform proposals, to ensure that the final decision will take into consideration what the situation is in each region.

I was looking at a list of criteria for a Canada human resources centre, a local human resources centre and a kiosk. Some criteria work very well for urban areas and some for rural areas, but there are other criteria that are not considered at all. It is like looking through the wrong end of a telescope.

(1720)

It says that a Canada centre should have between 75 and 150 employees, but not a word about the customers. I think that the criteria for a Canada centre should include the customers these people will have to serve and then, and only then do we decide on the administrative structure that is adapted to customer needs. In this case, the structure comes first and then they adjust the needs to this particular reality. It sounds rather farfetched, and I think we have a responsibility to represent these customers and take their needs into consideration.

A good example is an employment centre that deals with large numbers of seasonal workers, people who are spread over a vast territory. In that kind of situation, we must realize that when there are a lot more transactions, when there are very busy periods, when programs have to be put in place to give these seasonal workers a chance to find jobs or develop jobs that will give them some additional income, because they are the first in line to apply for these jobs, we need adequate services to do this.

I think it is important for the minister to include in his reform what he said in the documents, in other words, the new structures will be customer oriented and will be based on partnership. And to achieve this, the first thing to be done is to determine

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who the clients will be and with whom public servants will be dealing, and whether certain segments of the population or certain areas are more affected by the system and whether the reforms should take that into consideration.

Therefore, overall, while we are waiting for the government to eventually merge the two systems, and we will have to wait until the federal government decides to take the first step and admit that it has no place in the area of training the labour force, in the interim, these reflections aim to ensure that Canadians and Quebecers using employment centres will not be penalized by the decision, and that we will not be faced with absurd situations in which people are forced to travel great distances to obtain a service. The system should run smoothly.

Another element must be taken into consideration. I would say that about 90 per cent of the salaries of people working at employment centres come out of the unemployment insurance fund. That means that the employees who are paying unemployment insurance premiums and the employers who are making their corresponding unemployment insurance contributions are supporting this system. It is they who ultimately pay the salaries of the staff at employment centres. They should therefore have a say regarding the kind of services they will receive.

The way things are going, the government wants to create a sizeable human resources investment fund so that it can intervene in sectors like daycare and services for handicapped people, which both fall under provincial jurisdiction. This will artificially inflate the financial needs of the unemployment insurance commission when the government could easily have decided to take another approach altogether.

Now that there is a surplus in the Unemployment Insurance fund, could we not decide to continue to give people proper counselling services? Could we not decide as well to find a compromise solution which would maintain proper services and, at the same time, permit a reduction in UI premiums? This is one way to create jobs. If employers and employees pay lower premiums, a significant amount of money is then injected directly into the economy. This is a much more active approach to job creation than putting money in funds like the human resources investment fund, which will be bureaucratic and will not quickly find its way back into the economy.

(1725)

Therefore, in looking for job creation solutions to make better use of all our human potential, the minister should consider the situation and the creation of the human resources investment fund or at least take a look at the scope he intends to give it, so that money may be made available quickly and show up in the paycheques of individual Canadians and Quebecers who earn their living with it and of employers too, who will then be able to

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put more money into research or technological development, which will mean better service to the public.

Therefore, I am happy to have this time in the House to encourage the minister to analyze the recommendations made to him in detail and to invite him to submit them to the House before any decision is made.

[*English*]

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I noted that the member was back on the old rhetoric of the Bloc Québécois that it is so concerned about provincial rights and responsibilities that it wants total control over manpower and training.

Surely the argument is the creation of jobs, the creation of a well trained and productive workforce. The whole argument among different levels of government which may create bureaucratic jobs as the provinces and the federal government fight each other over who shall and shall not accomplish and spend money in what area is totally and absolutely non-productive. The issue should be that we want Canadians to be productive. We want them to be well skilled. We want them to be efficient in order that we can compete in today's international marketplace.

How does the member think that by having the money spent by the provincial government instead of the federal government it is going to achieve any of these particular aims and objectives?

[*Translation*]

Mr. Crête: Mr. Speaker, I find this question a bit surprising coming from a member of the Reform Party, because it seems to me that part of the answer can be found in an argument they have frequently advanced, which is that, if decision making were truly decentralized in our system, significant savings could be realized.

One of the sad facts of the terrible debt we are now facing is that, in our federal system, it is very difficult for individual citizens to identify who is responsible for what, and as a result they are forever turning to both the provincial and the federal governments for money, hoping that one of the two levels will come through with what their organization needs to function.

There is therefore a rather unhealthy competition between the two levels of government, because their fields of action often overlap. Another aspect is that it is not true that the manpower profile is the same throughout Canada. Quebec has its own characteristics because of the French language and culture of the majority of its citizens, and therefore the mobility of Quebecers is not the same as what may be the case in the rest of Canada.

There are also different choices that must be made in terms of occupation of regions. For example, when the human resources development committee conducted its cross country tour, Maritimers were in dread of a reform that would suddenly bring about an exodus to the west, when what they wanted was to be able to stay in their part of the country, exploring and developing the resources there.

(1730)

That would lead to very different choices regarding manpower training. A truly pan-Canadian policy really encouraging full-scale mobility to the max would mean that we would train people in New Brunswick or Nova Scotia for jobs in Ontario, Alberta or Vancouver. On the other hand, if we were to keep our manpower training policy to a local scale, if our objectives encourage people to find employment in their own areas, to lead their lives in their current environments, we would make different choices regarding training. We would go size up what resources are available in their areas and what kind of training needs the people already living in an area have. That would make a huge difference.

Take fishermen for example. Given the very inaccurate forecasts made, they became the victims of the overlap in the fisheries jurisdiction. If these people are put in a position in which they have to go back to school to train for jobs in an entirely different region, they will be cut off from the only reality they know and we will be faced with the same problems many southern countries are currently facing.

So, to get back to the hon. member's question, I think that the main solution is decentralization which, in itself, will be much less costly. If provincial governments do make mistakes, if they spend money irresponsibly, it will not take long for the electorate to turf them out. The way things are now, the people cannot actually determine whether the federal government, the provincial government or the municipal government is responsible for such and such a thing. In Quebec, there is overwhelming support in all regions for a massive decentralization of power. This would make it possible to quickly determine who created a situation in particular, who is responsible for ensuring it is a success, and who to praise if it is, or who to blame if it is not. That is one way of getting Canada out of debt.

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, I was very interested in what my colleague from Kamouraska—Rivière-du-Loup, who is from one of the regions, had to say and I have a question for him, not about decentralization, because he would like to see a move to decentralize towards the regions, but as the Canada human resources centres are formed, we realize there will be some centralization. Because of staff reductions, they are going to centralize staff, which is supposed to enhance efficiency, and they will set up service outlets. Since we are from these regions and, in my opinion and that of my colleague,

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these service outlets will not have any decision making authority, people in the riding of Abitibi will have to travel more than 250 kilometres to talk to someone who has that authority.

Does he think it is efficient for the federal government to establish Canada human resources centres without consulting the regions and to develop a strategy that may be effective in Toronto and Montreal but not necessarily in our regions?

Mr. Crête: Mr. Speaker, I think my colleague raised an important point in the current debate. It seems that when there is a trend towards restructuring, and this also happens in the regions, people always recentralize when cutbacks have to be made. Amazingly, in a decision making pyramid, it is always the job at the bottom, never the job at the top that becomes expendable. The job at the bottom may provide direct services to customers but does not have as much clout at the decision making level.

My recommendation was to ensure that members could be consulted before this reform was implemented and it is right in line with my colleague's philosophy. I want members to be able to say: The suggestion that we should have only one Canada human resources centre in Rimouski is entirely unsatisfactory, considering the situation in the region. In the Gaspé, we would need a major centre, under whatever name, and another centre for the region around Rivière-du-Loup, and staff should be appointed accordingly, because Canada centres are going to see their consultant resources, who are not in direct contact with the public, regrouped in these so-called regional capitals. This will not have the desired effect, which was to provide direct services to customers. Imagine if McDonald's decided that instead of setting up branches where there are a lot of people, it would have only one restaurant and ask people to come and eat hamburgers 15, 20 or 50 kilometres from their residence. The company would go out of business.

(1735)

If we do not make the right decisions, we will end up with the same results in terms of the satisfaction of Canadians and Quebecers with services offered by employment centres and with everything connected with unemployment insurance.

[*English*]

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I would like to inform the Chair that I will be sharing my time with the member for Brandon—Souris.

I have the honour today to talk about the government's cost recovery and user fee policy. It is important that all Canadians have a better understanding of this policy. The 1995 budget announced that as a result of the program review, departments would introduce new or expanded initiatives to recover a greater portion of the cost of certain programs.

This government is committed to changing its approach to managing its activities and operations in total. In the context of program review, the government has been rethinking what its core functions are, how these core functions should be carried out and how best to finance the activities.

Cost recovery is one of many management initiatives that reflect this government's commitment to greater reliance on market forces, to improving the efficiency of its operations and effectiveness of its programs. Cost recovery and user fees involve having those who benefit the most or most directly from a government service or program pay a fair share of the cost of providing that service. It makes use of the user pay principle in which the user specific beneficiary rather than all taxpayers bears all or a portion of the financial responsibility for an activity.

On the face of it, this is viewed as reasonable, justifiable and fair to most people. However, cost recovery and user fees are often perceived as another form of taxation. It is important to recognize that cost recovery and user fees differ from taxes in their nature and function. Let us look at the way they operate.

Taxes are mandatory levies of which there is no quid pro quo for goods or services. Taxes bear no direct relationship to the use or benefits from public services or resources. Taxes are used to finance public goods such as national defence and security.

Cost recovery and user fees on the other hand are payments made by individuals and firms in exchange for some direct benefit. Generally they are levied when the people enjoying the benefits are a specialized or select group. For example, campers pay for entrance fees for camping in our national parks and Canadian travellers pay for obtaining a passport for travelling abroad.

The government recognizes that cost recovery is not appropriate for all of its activities. The government provides many programs for the benefit of all citizens, and others that for other policy reasons are intended to assist the recipient. These programs will continue to be financed from general tax revenues. Our view is that the introduction of cost recovery or similar charges for many programs or parts of programs could improve government administration and reduce costs to the general public without harming the public good.

The concept of cost recovery is not new. The principle is being applied increasingly by all levels of government both in Canada and internationally. Some federal departments and agencies have been charging fees since Confederation. Think of the fee for a new passport. That has been around since the early 1800s. Since only a limited number of Canadian citizens require a passport, it is appropriate to request a small fee for the service from a recipient of that privilege rather than have the general taxpayer pick up the entire bill.

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(1740)

The bottom line is that there are no free services. All government services come with a price tag, a price tag that either the recipient of the services or the general taxpayer must bear. The issue is getting the right balance. Let me provide some examples of existing cost recovery initiatives in this federal government.

Agriculture and Agri-Food Canada charges fees for the use of pastures and breeding facilities; inspection of seed, feed and food; and quality of inspection of livestock and grain. Industry Canada charges fees for issuing licences for non-broadcasting radio communication equipment; fees and charges for a broad range of activities such as inspecting equipment used for weighing and measuring consumer products; patents and trademarks; and metre inspections. Immigration and Citizenship Canada charges for immigration visas and citizenship certificates.

National Defence charges for the sale of goods and services to NATO, the United Nations and foreign governments. The Royal Canadian Mounted Police recovers most of its costs from provincial and municipal policing services. The superintendent of financial institutions recovers the costs of most of his regulatory activities from the banks and other financial institutions. Transport Canada charges for airport facilities and services provided to airlines, such as concessions, leases, landing and terminal fees.

It is important to emphasize to hon. members that the primary objective of the government's policy is not cost recovery. May I point to three objectives.

One objective is to ensure fairness by having direct users or beneficiaries pay a fair share of the cost of programs and thereby relieve some of the financial burden on the general taxpayer.

The second objective is to establish a market type mechanism to help assess which government activities should continue to be pursued and which should be scaled back, if not eliminated. In other words, can we still afford to provide a particular service and is there a market for it? If Canadians are not willing to pay a modest fee or charge perhaps it is no longer worth doing.

The third objective is to create a new relationship between users and departments. By this I mean that paying for an activity gives the user a more direct interest in how the activity is run, the quality of service provided and its cost. In turn, departments will become more attentive and responsive to the users' needs and expectations.

For example, the Atomic Energy Control Board collects fees for licensing nuclear facilities such as power reactors, uranium mines and mills. As a result of the fees, licensees are reviewing their licence requirements very closely and are cancelling unnecessary licences. Licensing costs have led some companies to review their use of nuclear processes and materials and to

consider alternative and less costly processes. Atomic Energy Control Board licensing managers have become more aware of the total costs of doing their job which is contributing to an increase in the efficiency of their organization.

Canadians should also be assured that due process is used by departments and agencies when they introduce a cost recovery initiative or introduce user fees. Cost recovery initiatives are not simply imposed by departments. The government has established guiding principles for departments and agencies to follow when considering the introduction of cost recovery and user fees.

Here is a brief description of the process. The basic premise is the activities provided primarily to an independent and identifiable recipient beyond those that accrue to the general public should be paid for in whole or in part by those recipients. Implementing cost recovery or introducing user fees must be done in a transparent way that is open to public and parliamentary scrutiny.

Where fees are appropriate, they are to be implemented in consultation with users and under appropriate authorities and accounting mechanisms. Before implementing any fee, departments must assess the impact of charges on users and others affected to ensure there are no unintended effects. The decision will depend on factors such as the effects the charging will have on the clients' satisfaction with and their utilization of the activity and the impact on the program's objectives and effectiveness.

Interestingly enough simply studying the possibility of cost recovery can have some positive effects. For example, considering a new fee for a particular activity may lead to other important decisions because a good analysis may point to other management changes that should and could be made. It may be decided that people will not pay for a service if we cannot speed up delivery or reduce errors in providing the service.

(1745)

Cost recovery can also improve the management of government resources by complimenting related management initiatives such as restructuring service delivery; for example, special operating agencies.

In today's tight fiscal environment there are not enough tax dollars to meet all the financial demands of government programs. Cost recovery and user fee revenues permit the government to provide and improve activities that it might not otherwise be able to afford, or to redirect the tax dollars currently being used to finance these activities or even to reduce the deficit.

The government is committed to providing Canadians with the best service possible within the resources available.

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The Deputy Speaker: The hon. member's time has expired.

[*Translation*]

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, I would like to thank my colleague opposite. He had a lot to say about cost recovery, transparency and money the government has to spend. I have a simple question for him about unemployment insurance.

When there is a \$2 billion surplus, and regions such as ours will be penalized significantly because of distances, how does he explain the transparency of the Department of Human Resources Development, which does not use the extra \$2 billion to provide more services for its clientele? It is not transparent as regards other budget items because we cannot find out why it does not use this extra money to keep the people needed in the regions to give training courses or simply provide services.

[*English*]

Mr. Cannis: Mr. Speaker, I thank the hon. member for his question.

With respect to human resource development program, the minister looks at the program from a broad sense. He is obviously looking to fine tune the system so it can provide a much more efficient and effective program.

In my experience in my riding and questions I have asked beyond my riding, the training programs are continually being enhanced. The minister is trying to do his utmost in the training program to provide training for specific areas.

Given the information we have received from the department, it is trying to establish a program whereby an individual living in Quebec will have access to opportunities in Ontario or British Columbia. When we look at moneys saved, we have to look at the overall picture of our financial situation and direct moneys wherever they are needed and improve the system as best we can.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, when it comes to directing money where it can best be used, I would like to get the member's opinion on one expenditure.

This year 45,000 civil servants can expect to be laid off, not rehired or what have you. Within the government there is the special measures initiative program through which the government will spend about \$45 million specifically to target equity groups, aboriginals, visible minorities, women and people with disabilities, for hiring programs in the civil service.

It seems odd when we are laying off 45,000 civil servants and spending \$45 million to initiate programs to hire more people. Is that money well spent?

Mr. Cannis: Mr. Speaker, that is a very good question. Let me set the record straight.

The member said we are laying off 45,000 people this year. That is not true. We all know that. There are 45,000 people. Some will be laid off and some will retire over three years. We are being intellectually dishonest when we harp on that and say 45,000 are people being laid off this year. I have spoken to many people who are very pleased this program is unfolding the way it is. They are glad to receive their early retirement, the payouts as well. The government is approaching downsizing in a very humane and compassionate way.

(1750)

Last week I spoke to a constituent who would like to accept a package. Unfortunately because circumstances call he is not part of the group that will be laid off or asked to take early retirement. Nevertheless we have to be honest with our viewers that 45,000 is spread over three years.

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, a lot was said here about cost recovery. We are all sympathetic to this. I refer to two services being provided, the business development centres across Canada and the case counselling services with the Federal Business Development Bank.

Is the hon. member suggesting that with the parliamentary appropriation given to the Federal Business Development Bank to finance that aspect of its operation, which is not under the cost recovery of the mandate of that bank, the case counselling services will go on a cost recovery basis to the people who use that counselling.

Will the people who benefit from or use the business development centres be charged for the computer time or the information available?

Mr. Cannis: I have had the opportunity, Mr. Speaker, on several occasions to meet with representatives of the Federal Business Development Bank. They are providing a service in conjunction and co-operation with major financial institutions. It is a needed service. When they provide auxiliary support, yes that service will be paid by the user so it is not a burden on the FBDB.

The FBDB provides a service that is a higher risk for various users. Its record speaks for itself as far as recovery and not being a burden on taxpayers.

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, I am pleased to add my support to Bill C-76.

The government has done its very best in the last two budgets to avoid any increase in personal taxes. Every \$1 we raised in additional taxes was matched by \$7 in spending cuts in the 1995 budget and \$5 in cuts in the 1994 budget. Taxes on corporations were increased and the highly profitable Canadian banks will

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pay a temporary surtax on their capital. All together, new taxes on corporations will raise an additional \$974 million this year.

These measures are in addition to the improvements we have made to the tax system in the 1994 budget in which we reduced the amount businesses could claim for meals and entertainment from 80 per cent to 50 per cent and we eliminated the \$100,000 capital gains tax exemption which primarily benefited higher income Canadians.

During the prebudget period hundreds of Brandon—Souris constituents contacted my office and also made indirect contacts with the ministry. They sent all of us on this side of the House a message that the Liberal government must take strong action to break the back of the deficit. Great improvements and great strides have happened in this regard.

The preference for deep cuts in government spending versus any increase in personal taxation was stressed and our government responded accordingly.

I believe Bill C-76 is tough but fair. The finance minister worked hard to ensure balanced spending reductions and that the burden of deficit reduction is shared as evenly as possible in all regions.

The Brandon—Souris area is no exception. We did experience some reductions in personnel. Our weather station was closed. Those who work in Shilo will experience some job losses. However, this is being eased to some extent by the program put in place by various departments.

(1755)

The elimination of the Crow rate is probably one of the most difficult for many farmers in our area to handle but many regard the transition as necessary.

Our government has cut spending dramatically but in a way consistent with the value of Canadians, promoting jobs and growth, protecting the most vulnerable members in our society and cutting at the government level first. Bill C-76 reflects the government's commitment to reducing government spending now while the economy is still in a growing cycle.

Decisive action today will ensure continued strength of the Canadian economy, protecting future jobs and prosperity. The decisions made with respect to agriculture will ensure Canadian farmers can take the best possible advantage of new global trade opportunities. Farming is best done by producers, not governments. That is why Bill C-76 is putting decision making back into the hands of the farmers.

We are expanding export markets and helping to create new domestic markets for commodities farmers across the prairies produce. How are we giving producers more control over their environment? Bill C-76 ushers in great improvements for

Canadian farmers. The prairie grain cash advances would increase by \$34 million. Cash flow enhancement programs would increase by \$27.5 million. The NISA program would increase by \$102 million. Transition programs to whole farm support for beef, lamb and hogs would increase by approximately \$6 million. A matching investment initiative will increase by \$12.7 million. Expanding export markets would increase by approximately \$900 million. Further efforts are being made to expand the ethanol programs, and food safety would increase by about \$5.8 million.

One of the most symbolical changes in the budget is the Crow rate. It has been recognized the Crow has caused some distortions and some inefficiencies both for the producers and for the transport companies. That will soon change. The Prime Minister was correct when he said that given half a chance farmers do not want subsidies, they want access to markets and they need and want fair prices.

It is the intention of the government to help farmers across the prairies do what they do best, feed the world, to diversify and to make a decent, honest living while doing it.

I believe the removal of the Crow rate will lead to increased value added production in the prairies over time. The circulation of billions of dollars and now the incentive to add value to agriproducts will provide opportunities and financing for the food processing industry in pasta plants, ethanol plants and many more we have not as yet conceived.

People learn to adjust to new opportunities and Manitobans have traditionally been trend setters in new markets. Clearly details need to be worked out, especially on pooling issues.

There is some concern regarding compensation for land values and how land owner payouts will be reflected in new lease arrangements on the approximately seven million rented acres in Manitoba. The reform of the WGTA will not be easy. The issues are complex but I am confident the minister will continue open discussions and that the \$300 million transition adjustment fund will be used as effectively and efficiently as possible. The western economy will be stronger and more diversified with the removal of the WGTA.

It gives me great pleasure to bring forward two endorsements to the WGTA program, endorsements which are rather difficult to pry out of some with different political views from those of us on this side. It is sometimes very difficult to endorse or change an idea one does not have the courage to do oneself. I am pleased to indicate to the House that the first endorsement came from the Manitoba agriculture minister. He said that changes to the WGTA would rejuvenate the rural economy of Manitoba and would lead to an added value approach to farming and the development of job intensive processing industries.

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(1800)

The second endorsement came from one of my opponents in the 1993 election. He was in Ottawa this week. He said that the payment to landowners represents a reasonable compromise. It is not often that the three of us agree on anything, but miracles do happen in Manitoba and a miracle did happen in this instance.

Let me reiterate that although the government has cut spending dramatically, it has been done the cutting in a way which is consistent with the values of Canadians, promoting jobs and growth, protecting the west, protecting the most vulnerable in society and cutting the government purse.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, my colleague spoke a lot about agriculture. It warrants a lot of attention, because relations between farmers and markets in Quebec and Canada will be changed significantly by some of the measures presented.

I have a question for him on one type of production that is growing considerably in Canada: lamb production. Alberta, Quebec and Ontario are the three largest producing provinces. The government has decided to close the experimental farm at La Pocatière, which is in my riding. It is the only experimental farm with a national mandate to do research on everything that concerns sheep. Sheep production is growing, and production should increase, because there is a demand for sheep and lamb in Canada production as a whole.

Are there other solutions in the member's opinion? Shutting down the farm and putting an end to research into this sort of production does not seem acceptable to me. In one way it is very dangerous. I would like to know if he sees any alternatives. In fact, both his region and mine are affected by this decision, which has a significant negative impact on production of this type.

[*English*]

Mr. McKinnon: Mr. Speaker, I thank my colleague for the question. Its thrust is similar to other segments of agricultural industry. I look at it in a similar fashion to hog production in Manitoba.

It is my understanding in terms of research that the thrust of the department is to attempt to put together partnerships involving the federal government, as well as specific provincial jurisdictions where there is great interest. More important, it is producers who are probably the most concerned about the genetic development of hogs, sheep or cattle and who may be addressing the markets on a global basis.

The best way to answer the question would be to indicate that the producers should be looking at bringing together their resources. Perhaps a check off system at the marketing end would help to address those concerns.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the comments made by the hon. member opposite dealt mostly with Bill C-76, the Budget Implementation Act, and not so much with the estimates.

Since he is talking about budget implementation, I wonder if he would detail for me, because I am not as familiar with the red book as he would be, exactly how close was the red book promise on the WGTA with what the Budget Implementation Act actually did? That was to remove the WGTA. Was that the red book promise? Was there a different promise on the WGTA?

(1805)

Mr. McKinnon: Mr. Speaker, references were made to transportation and the WGTA in the red book.

I have to be honest. When I started into the campaign in 1993, a debate was going on about how transportation should be handled in various regions of the country, remembering that there is always a moving target. Conditions did change. We were facing as a government, possibly, circumstances that were not envisioned during the campaign. I will be succinct. In 1993 I was not of the view of the route on which the government has proceeded. We have had to rethink that whole circumstance.

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, for those watching this debate. We are now debating a Bloc motion on grants and contributions from the human resources department's main estimates. The Bloc motion calls for \$1.3 billion in cuts. Those cuts would cover programs, everything from youth initiative programs to employment assistance programs.

We are all making do with less in these times and government should be no exception. Even though this message is coming from Canadians, the government is not listening. Instead it has actually increased its spending in its first two budgets. This includes substantial increases in its interest spending. The government keeps borrowing money and having to increase spending on interest but it decreases spending on some other things for which we would rather pay.

The Reform approach in dealing with the main estimates for the human resources department was to propose modest 5 per cent reduction in the operating expenses of the various programs under this department. Instead the human resources estimates propose significant increases in spending. This is interesting because it is at a time when the services being delivered by these programs are being significantly cut back to Canadians.

For example, we know that pensions are going to be cut back sometime. That has been announced. We are not sure when or what. We know that unemployment benefits are being cut back. The budget said a minimum of 10 per cent but it could be more than that. We know that health care is being cut back under the Liberal budget. We know that tuition fees are rising because

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there is less money available for post-secondary education. The list goes on.

During the time when these benefits and services to Canadians are being cut back significantly, the department that delivers them, instead of getting leaner and more efficient, is increasing its spending significantly.

Reform felt that in fairness to Canadians who were having to take less from this department that the least the department could do would be to operate on at least 5 per cent less money than it asked for from Parliament.

Unfortunately the modest decrease in operating funds of 5 per cent which we proposed was voted down by the Liberal majority on the committee and interestingly by the Bloc members on the committee. In committee the Bloc members did not support even a 5 per cent decrease in spending but in the House they want a \$1.3 billion decrease. We find that quite interesting.

(1810)

Reform proposed a very realistic 5 per cent cut to operating expenditures. This would have been an important first step and one which the government could have and should have been able to live with.

Instead the government is pushing through the votes in the main estimates without even the kind of public scrutiny that we should be able to expect as Canadians from a massive spending program by government. These estimates are being put through without the members of Parliament who hold a majority being able to decrease that spending by even \$1.

Whatever government departments ask for, whatever the bureaucrats propose, is what they are being given. Is that any way to show accountability to Canadians? We were elected to oversee the spending of their money as carefully and prudently as possible. No. Whatever is put forward, we just put it through. We will see this later on today. There will be not one vote that will diminish the spending estimates put forward by government departments by even \$1. That is not accountability. It certainly does not hold the civil service accountable for the kind of spending they are supposed to be doing of Canadians' money.

This spending affects every Canadian from St. John's to Victoria. We should be looking very carefully at how that goes forward.

Even the Bloc motion on vote 10 that we are debating right now is being countered with a government motion to boost the spending in the area of grants and contributions right back up to where it started. This is in spite of all attempts to give the matter serious consideration.

The Reform Party in February released a budget which we believe the country should operate by. It was called the taxpayers budget. This budget was a direct result of input from our party members at the grassroots level right across the country. What ordinary Canadians were calling for and what was reflected in our budget were reductions to the bloated and inefficient programs, especially funding for special interest groups such as the ones that are funded under the motion we are debating at the moment.

Reformers spoke out loud and clear in this area of government money for special interest groups. We supported cuts in these particular areas and our support is solid.

Also in the taxpayers' budget Reformers were clear that areas of provincial jurisdiction, such as training programs, should not be intruded upon by the federal government. In that one area we agree with our friends from the Bloc and their opposition to some of these requisitions for money that really should not be allocated by the federal government but should be left to the provinces as the Constitution provides.

Many of the grants and contributions in this motion are dealing with services which are the responsibility of provinces. That should be acknowledged and respected.

The Reform plan consisted of a formula for dealing with grants and contributions depending on whether they were provided for businesses or special interest groups. We believe contributions to businesses should be cut on a formula of 100 per cent cuts and that the funding for special interest groups should also be cut 100 per cent. That is our formula.

Let us now look at some of the specific expenditures that are covered under this motion. Part III of the human resources main estimates breaks funding down with vague descriptions only, such as "grants to improve employability and to promote employment opportunities". These are broken down further into what the department calls partnerships. It calls for labour market adjustments—it is scary for the labour market to think that good old government is making adjustments on its behalf—and what the department calls community development projects.

Money from this area is supposedly to be used at the local level to create jobs. The problem is that the expenditure of this money often creates no real long term sustainable jobs at all. They create only artificial jobs or jobs that last only long enough to give an individual enough weeks of work to qualify for unemployment insurance, of course calling for more funding and more money from the government department that started them on this nice cycle in the first place.

(1815)

These are the sorts of make work projects the government prides itself on, instead of allowing the private sector to energize our economy. This government acknowledges openly

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that long term sustainable jobs are created by business, particularly small and medium sized businesses. Instead of allowing these people to keep the money they generate and get on with the job, government spends lavishly and in order to fund that it has to take money out of the pockets of these businesses, which therefore drives us further into debt and stifles the kind of private enterprise that would provide jobs in this country.

The taxes that support the kind of spending we are talking about today are job killers. That is what is happening in our economy. Governments are scooping so much out of it, draining so much out, taking so much out of the pockets of people who are trying to keep the economy going that the economy is suffering and reeling from the shock of this kind of government spending.

The future in getting Canadians back to work is to have a country where companies can hire with minimum amounts of red tape, pay lower taxes than they currently do, have less government tinkering in their affairs, and also have businesses that are able to utilize a workforce that is not dependent on government make work projects.

The economics of the situation is simple. The money the government spends for projects to supposedly increase jobs could be much better spent. It has to come from somewhere. In this case the somewhere is from investors, Canada savings bonds, treasury bills and Government of Canada bonds. When Canadians and foreigners buy those instruments they are really loaning our government money. In order for the government to pay them back for these instruments and pay interest as well it has to tax individuals and companies.

Now the cycle has gone so far that the government is actually borrowing money to pay interest on money it previously borrowed. That is why we are in such trouble. The end result is these so-called make work projects are actually paid for with borrowed money. This is not a healthy situation. It creates a shaky economy and we are seeing signs of that today.

The recovery everybody talked about last year is showing signs of slipping. The robust profit growth of Canadian corporations, private companies that create jobs in this country, slowed in the first quarter of 1995. Operating profits grew by a mere 1.9 per cent in the first quarter, compared with over 10 per cent in the first quarter of 1994. That is a significant, incredible change and downturn. Economic activity also slowed in the first quarter, as the gross domestic product dropped 0.7 per cent in March after a 0.2 per cent drop in February.

There are some real signs the government tinkering in the economy, taking money out of the hands of business people, entrepreneurs and investors, is simply destabilizing the situation, not helping it. Governments cannot run an economy but can only help make it possible for an economy to operate in a healthy way.

Also covered under this motion are grants paid out under the Atlantic groundfish strategy, or TAGS. Over \$164 million was allocated to the TAGS program, to be spent over five years. The Minister of Human Resources Development touted this program as being the new face of social programs in Canada.

We have heard many examples of how TAGS has failed in its quest to be a training program and a program to move people from failing industries into healthy ones. This has evolved into simply another income support program. Not only is it creating additional dependency in an area that certainly does not need that and where there is already a lack of hope for viability in the economic sector, but the training part of those funds, the funds that were supposed to be given to people to train them for jobs in healthy labour industries, is now simply being diverted into more income support.

(1820)

In fact, 80 per cent of the funds for this five-year program have already been spent in the first year. For the remaining four years we have only 20 per cent of those funds left. We also know that a great amount of these funds, we do not know how much, is going to people who are already earning more than a good living in other fisheries activities, such as snow crab fishing.

This is an area that needs to be re-examined. This is a spending area that is not working. There is room for reductions that would be not only not a hardship for people but would actually benefit the economy, because this kind of tinkering simply hurts it instead of helps it.

Also under this motion is about \$1 billion of spending on payments to facilitate the efficient functioning of the Canadian labour market. Who better to tell the Canadian labour market how to be efficient than a very efficient government?

It seems to me that if we would leave that \$1 billion in the hands of entrepreneurs, business people and investors, that would do more to help the Canadian labour market operate efficiently than anything the government could ever do to teach it to operate better. That would be the best investment we could make: simply let the people who know how to be efficient get on with the job, rather than taking their money and having it inefficiently allocated by bureaucrats, politicians, and grant recipients.

This brings us to another component of the Reform Party's principles that we have been urging the government to follow when it talks about ways to spend better on the social side and stimulate the economy. This is the whole idea of effectiveness in government. It is not too much for Canadians to ask that their government provide them with this fundamental right, the right to have an efficient, effective government. Careless spending by this government and others before it has not been helpful, to say the least. It has put our country in over \$500 billion worth of debt and it has left us with a country with a spending problem.

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That is why so much funding being provided in all these areas we are talking about has had very dubious results.

We believe that Canadians simply are not getting value for their money. Canadians themselves believe that. In a recent poll published at the end of last week in the *Financial Post*, a large majority of Canadians really felt they were paying too much in taxes and they were even willing to take illegal measures to avoid paying tax because they felt that governments were wasteful, corrupt, inefficient, that programs were not giving value, and that the money they were giving to government was not giving them bang for the buck. It was not worth the money they were giving up in taxes for what they were getting back. They did not believe the management of it was prudent.

When a large proportion of Canadians say openly to pollsters that their tax dollars are being squandered in a way they do not approve of and are not prepared to support and when their tax dollars produce very little positive result and only lead to unnecessary dependency on the part of many Canadians, then it is time for governments to sit up and take notice, to stop spending that money, stop wasting that money, and to demand less of the taxpayer and more efficiency from government departments.

What we have in this whole business of the estimates is government simply saying to departments: "Spend whatever you want. Spend more on your operations, because we do not expect you to do more with less, like other Canadians". This is why we cannot support the government motion on grants and contributions being put forward today.

(1825)

Bringing spending under control by cuts in grants and contributions is one way to return the country to a healthy, competitive identity that will let us stand proudly on the threshold of the next millennium.

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, I was interested in the hon. member's comments in relation to the TAGS program in Atlantic Canada.

I understand her concerns, but it is important that she realize that the process of retraining people who have been working in the fishing industry, which has been so devastated in the last few years by the failure of the cod, for example, and other aspects of the fishery, and trying to institute a program whereby you help people retrain and build them toward the possibility of working in other areas is not an overnight process.

I am not at all surprised that there have been problems and that the training programs have not succeeded greatly in getting people into other industries. If there is someone who has perhaps worked always on fishing boats or in a fish plant and has maybe

grade five or grade ten education, they cannot be turned overnight into someone who will be prospering in the information age. It is a long process and it takes a lot of effort and a lot of investment. It cannot be done overnight.

There seems to be a theory in the Reform Party that says let us cut them off and they will find something else. That is an interesting theory. It may work if they are in British Columbia. There is enough happening in some parts of the country, to some degree at least, so that there are other opportunities. In Atlantic Canada there are some opportunities, but there are not the kinds of opportunities that are going to deal with that kind of situation.

If people who have been fishing all their lives or working in fish plants cutting fish are cut off instantly from all kinds of government support, from the TAGS program for example, then they will not instantly get into a situation where they are to be out there if they have no support. They do not have the money to go west to find a job. If they get out there, what job are they going to take? What would you retrain them for? How long would it take to train a person in that situation to get a prosperous, successful job in a modern economy?

Mrs. Ablonczy: Mr. Speaker, I thank the hon. member for his question, but I am not sure why anyone who suggests prudent spending on these programs can be accused of wanting to cut people off. That is a rather extreme interpretation of what I said about spending the money in ways that really benefit people, in a prudent manner, in a defensible manner, in a way that is accountable to the people who should be able to count on these moneys to do some good.

What do we have under this TAGS program? We have snow crab fishermen who make over \$200,000 a year being given extra money from a program that should be benefiting the people who are trying to get out of devastated industries. We have people who have perfectly good jobs in fish processing plants saying: "This is an easier program. This is easy money. Why do we not just quit working and go on this program? We are able to do it".

Will that be helping people? No, it is not helping the people in need. It is wasting money that should be helping people in need. It is the waste and the inefficiency and the ineffectiveness we are talking about, and we are trying to get the government to correct this.

This money was supposed to train people to get out of devastated industries and find jobs somewhere else. As this member rightly says, we should try to help them. What is happening? The money that was supposed to go to training people is now going into income support for people, many of whom do not even need that money and should not be entitled to the money.

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Yes, we should be trying to help people if we can. When we have a program that is clearly being mismanaged and ineffectively administered, is helping people who do not need help and not helping people who do, and which has not yet created one long term job for anybody on the program, it should be criticized not just by members in the opposition but by the hon. member who comes from that part of the country where people are outraged. The government is taking money that could and should be helping and it is instead being totally wasted.

(1830)

That kind of help cannot take effect over night. Any sensible person realizes that. When there is instance after instance where the program is being mismanaged and wasted and not helping people, then we should all be on our feet demanding to know why, demanding accountability of the department and saying on behalf of the people get it right, get it right now.

[Translation]

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, I would like to make a comment on what my colleague from Calgary North said regarding our public responsibilities, including the fact that programs would no longer be efficient if they came directly under provincial jurisdiction.

There is some discrepancy in what she said. She just stated how important it was to fund training. She also mentioned that with its motion, the Bloc Quebecois was refusing, so to speak, any cuts, especially to the Department of Human Resources Development for the unemployment insurance program.

Since the unemployment insurance fund is showing a surplus, why not allocate this money, which belongs to the workers and the employers, the very same employers who are clamouring for top notch skilled workers—which is what the Bloc's amendment is all about—to training and programs specially aimed at employees and employers, or even give it to the provinces, which are in the best position to use it efficiently? How can she draw a parallel between the Bloc Quebecois not wanting to cut and its wish to train employees and employers?

[English]

Mrs. Ablonczy: Mr. Speaker, I thank the hon. member for bringing up that subject. I know it is near and dear to the movers of the motion and the Bloc.

Just because money is being managed by the provinces does not mean it is being managed more effectively. A number of provinces have a very dismal fiscal record of management. That should be honestly addressed.

It is sometimes hypocritical for representations to be made that somehow provinces which are deeply in debt and have some fiscal problems criticize other levels of government.

What I did acknowledge is some of the services and activities were constitutionally put within provincial jurisdiction. They are within the purview of the provinces and that should be respected. We do have a Constitution. We did have an agreement on these services and it should be respected.

I agree with my hon. colleague when he suggests UI contribution funds should be managed by the workers and employers. He is on the right track. These people are paying the shot and they should be calling the tune. It makes sense and it is perfectly logical.

He is correct when he says services should be delivered on a level closer to the worker. It is more accountable to workers, more responsive to workers, more sensitive to the needs on the local level, and we get away from these one size fits all, mother government knows everything programs. I certainly support his proposal that expenditure of funds for job training and education of workers would be better managed on that level than it is being managed today.

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, I will be sharing my time with the hon. member for Nunatsiaq.

Opportunities, growth, jobs, balance, honesty, fairness, vision, responsibility, consultation and compassion; we ran on those words in the last federal election campaign and the government has delivered on those words during the last two years. The Minister of Finance has delivered on those words in the budget. We made commitments to Canadians in the red book. We are keeping those commitments in these estimates.

Canadians told us they wanted deficit reduction with no increase in personal income taxes. The deficit is going down and for the second year in a row there has been no increase in personal income taxes.

(1835)

Canadians have told us to cut spending. For every dollar raised in new revenues the government has cut \$7 in spending. The government is launching the largest restructuring of government spending since the end of the second world war.

In contrast to the recommendations of the Reform Party the government is not simply slashing spending across the board. The government will not choke off growth. It will not throw the country back into a recession.

The government has carefully rethought the role and structure of the federal government. The redesign of the federal government launched by the program review is reflected in the

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estimates and will result in a smaller and smarter government. Government can no longer be all things to all people.

The program review looked at all areas of government spending with the exception of major transfers to persons and major transfers to provinces. All the programs were reviewed under the following criteria: did the program serve the public interest? Did it involve a necessary role for government? Was it affordable and could the private sector or the provinces do it better?

As a result of the review the government is reducing subsidies to businesses and agriculture. Many government services will be commercialised where practical. The government can no longer afford to intervene directly in the economy. The government from now on must concentrate on creating the best possible economic framework in which the private sector can create jobs.

Canadians told us to revamp our social programs to meet today's needs but to make sure that we respected our heritage of social justice. The government has embarked on a program which will do just that.

The Canada social transfer is not an abandonment of national standards, as some have argued. This transfer will provide more flexibility to the provinces. It will allow them to experiment and find the best way to deliver social programs and reduce administrative costs.

The conditions of the Canada Health Act, universality, comprehensiveness, accessibility, portability and public administration, will be maintained. The government will be working with the provinces to develop a set of shared principles that will underline the Canada social transfer.

The Ontario New Democratic Party has suggested the federal government has abandoned the promises it made in the red book. This is not true. In the 1994 estimates every key commitment in the red book was funded. This year's estimates have maintained the government's commitments. The government will maintain the health of our social programs while getting the deficit under control.

As promised in the red book, the government has begun to bring the deficit under control while at the same time funding the national infrastructure program, cutting unnecessary defence spending, introducing gun control legislation, reforming the Young Offenders Act, establishing a national crime prevention council, taking action to address foreign overfishing, promoting trade with Latin America and Asia.

It is establishing a youth service corps, restoring literacy funding, establishing a national form on health, introducing parliamentary reform to give MPs more influence, introducing legislation to make lobbying more fair and open, reinstating the residential rehabilitation assistance program, establishing a prenatal nutrition program, beginning an aboriginal head start

program, establishing a centre of excellence for women's health, restoring the court challenges program, restoring the law reform commission, eliminating, downsizing and privatizing government agencies, boards and commissions.

The government delivered a tough but fair budget. It has spread the cost of deficit reduction evenly across the country. Despite the claims of some Ontario provincial politicians, Ontario did not receive more than its share of cuts.

The government has started Canada on the path to economic renewal, social reform and fiscal responsibility. The government has not solved every problem but it has started in the right direction.

The Prime Minister remarked repeatedly during the last election that a Liberal government would offer Canadians realistic hope. That is the hallmark of the Prime Minister's approach to government and that is the hallmark of the budget.

(1840)

If we are to offer hope we must introduce programs which will encourage job creation in the short term, in the medium term and in the long term. If we are to be realistic we have to make choices.

I know some people were not happy with the choices made by the government. However, after extensive consultations the government made the tough choices that best reflect the priority of Canadians. For example, if we are to find money to fund research on diseases affecting women or spend money on badly needed infrastructure then tough choices have to be made.

The government is taking steps to ensure our social programs are maintained. Many seniors in my riding of Hamilton Mountain are concerned about the future of their pensions. The government will be releasing a discussion paper on the future of the pension system later this year. The government intends to make the pension system fairer and more sustainable in the long term.

I have spoken to many students in my riding who are concerned about their future prospects. The government is taking steps to improve the employment prospects of today's students. The best means of improving employment opportunities of young people is to provide them with practical experience and job skills. The new youth services corps and internship programs sponsored by the federal government will provide students with the experience and skills they need to succeed in today's job market.

Many people have expressed concern about the changes to the unemployment insurance program. I assure Canadians the Liberal government recognizes the importance of the unemployment insurance program. The government's aim is to allow people to become independent, to increase help for those in

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really desperate circumstances. The government's goal is to find the maximum dollars to put people back to work.

Many of my constituents have expressed their concerns over Canada's crime rate. In recognition of Canadians' concern about public safety, the smallest reductions in spending were made in departments dedicated to justice and corrections. The government is willing to spend the money necessary to ensure the safety of all Canadians.

Our goal is to create opportunities for all Canadians from all regions, from all backgrounds and from all walks of life to make the most of their own lives and to help our country seize the future.

In the budget and in other initiatives the government has created the opportunity for us all to seize the future together through growth, jobs, balance, honesty, fairness, vision, responsibility and compassion.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I note the member's commitment to the red book and to deficit reduction is in accordance with what is perceived to be the policy of the government.

Page 20 of the red book, which the member was so willing to put her emphasis on, states there will be a 15 per cent decrease in spending on special services by the government should the Liberals win the election, and they did. However, there has been a \$300 million increase in the estimates as proposed.

How does the member reconcile the red book commitment to a 15 per cent reduction compared with a \$300 million increase? Is she prepared to vote against these increases when they come up for a vote later today?

Ms. Phinney: Mr. Speaker, the cost of everything has gone up but I still think the cuts we have made so far in the budget and in the government's spending over the last two years are the toughest since the second world war. We have reached the goals we promised Canadians through our red book.

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, I listened intently to the hon. member for Hamilton Mountain concerning the estimates. She detailed everything from students to seniors and talked about specific programs.

I have been asking many questions since coming to the House concerning small business and what assistance it is receiving in order to create jobs and get people off unemployment and into jobs. Maybe the member for Hamilton Mountain could expand on that and on how we are going to help small business to get people back to work, where they really want to be.

(1845)

Ms. Phinney: Mr. Speaker, the question of the hon. member for St. Catharines gives me the opportunity to discuss another important government initiative, the proposed changes to the Federal Business Development Bank.

The changes in that bank are an example of the government's commitment to promote small business growth, innovation and job creation. Many people in small business have told us over the last two years that they have a lot of problems with the banks in negotiating, refinancing and getting new money for their small businesses.

The minister responsible has decided he needs to make some changes directly to the Federal Business Development Bank. These changes have been made as the result of a comprehensive small business policy that was developed in 1994. This institution will expand its operations thereby ensuring its programs and services meet the changing needs of small business today. This institution will be given a revised mandate to develop and deliver innovative responses to small business financing and managerial needs. Small businesses in all the ridings across Canada have expressed the need for this.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I have a question for this member as I do for all of the members on the government side. With all of this talk about cuts, cuts, cuts, why is the total government expenditure up by \$2 billion this year over last year? There is an inconsistency here.

Ms. Phinney: Mr. Speaker, I presume the hon. member knows that the interest costs have gone up considerably. We have been consulting with Canadians and we are spending in the areas where they feel spending is necessary in the next few years.

Mr. Jack Iyerak Anawak (Parliamentary Secretary to Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker,

[Editor's Note: Member spoke in Inuktitut.]

[English]

For my colleagues who do not understand Inuktitut, I will elaborate.

I am pleased to rise today to speak on the government's 1995-96 main estimates. When the government was elected one and one-half years ago, we said we would do things differently and we are doing things differently.

The government's main estimates for this fiscal year reflect a tough budget but a necessary budget. They also reflect the results of the program review announced in the 1994 budget. The purpose of the program review was to ensure the government's diminished resources are directed to the highest priority requirements and to those areas where the federal government is best placed to deliver services.

The government is clarifying its responsibilities. We are also reshaping federal government programs so we spend less but provide the best possible service to Canadians within the limits of need and affordability.

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We are restraining spending, streamlining operations and changing what government does and how its programs are delivered. We are committed to reducing the deficit and meeting our fiscal targets. We are committed to improving the economic climate so more jobs can be created.

We are focusing on the essential responsibilities: reducing federal and provincial overlap; using technology to become more efficient; promoting self-reliance; recovering more of our costs; and merging programs which are similar in nature for more efficiency. Tough decisions have been made and more tough decisions will be made.

Public sector jobs have been cut. Some programs are being amalgamated; some programs have been cut and some have been eliminated. For the remaining programs and services, the government is seeking new and cost effective ways to deliver them. Because we have to live within our means, we must get rid of inefficient or ineffective programs so we can focus our energies where they are most needed.

(1850)

I want to stress that the government is committed to ensuring that Canada's most needy do not bear the brunt of deficit reduction measures.

[Editor's Note: Member spoke in Inuktitut.]

[English]

Among the most needy Canadians are the aboriginal people. It is a fact that the socioeconomic conditions in most Indian and Inuit communities are the poorest in the country. The government is committed to assisting aboriginal peoples to overcome the disparities in living conditions with other Canadians.

The Department of Indian Affairs and Northern Development has been impacted by the budget and program review but not as much as other departments. DIAND positions will be reduced from 300 from the 1995-96 base of 3,237. The reductions will occur at all levels of the department. This is in addition to 442 positions eliminated in 1994-95.

The northern affairs program will be reduced by \$15 million over the next three years. Regional economic development programming will be reduced in 1995 one year ahead of its original sunset date. I have to say that the cut to regional economic development programming is a painful one for the north. To create the jobs and opportunities the north needs, economic development is crucial. We have to keep working in this area to further northern development.

[Editor's Note: Member spoke in Inuktitut.]

[English]

Social housing is another area of great need in the north. The last Conservative budget eliminated funding for new social housing construction. So far financial reality has prevented a major reversal of that budget's impact on social housing.

I continue to be deeply concerned about the poor housing conditions in the Nunatsiqa riding and throughout the north. I know that the Minister of Public Works and Government Services is also concerned as is the Minister of Indian Affairs and Northern Development. I will continue to encourage the government to do what it can to help resolve the north's housing problems.

The budget and main estimates for the Department of Indian Affairs and Northern Development confirm that DIAND will maintain its core roles and responsibilities to Indian and Inuit people, such as education and social assistance. Increases to the Indian and Inuit programs will provide funding for basic services such as elementary and secondary education, social services, construction and maintenance of schools and infrastructure such as water and sewage improvement.

Overall however in light of the government's serious fiscal situation, DIAND's funding will be moderated. It will increase, but not as much as in previous years. Funding for Indian and Inuit programming will increase 6 per cent in 1995-96 and 3 per cent in 1996-97 and 1997-98. The moderated growth is a balance between the need to make changes to reduce the deficit and the need to protect those who need assistance most.

There should be no misunderstanding on this point. The aboriginal people of Canada are the poorest people of Canada. The aboriginal population is also Canada's fastest growing population. The aboriginal population is growing at more than twice the rate of the Canadian population.

The aboriginal population is also a very young population. Over 40 per cent are under the age of 25 and the need for housing, education, and social services are great. While improvements have been made over the years in community conditions and individual circumstances, the fact remains as I said earlier that aboriginal social and economic conditions still remain significantly below those of other Canadians.

[Editor's Note: Member spoke in Inuktitut.]

[English]

There is still much work to be done. This government will not abandon aboriginal people. We are continuing to work on the fair and expeditious settlement of land claims. We are investing additional funds in post-secondary education. Education and economic wherewithal through a secure land and resources base are necessary tools for jobs and development and for building healthier and stronger communities.

(1855)

The government will work with aboriginal people and all Canadians to improve our financial situation, to create opportunities and jobs and build a stronger country.

[*Translation*]

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, I would like to thank my colleague, the member for Nunatsiag. Interestingly enough, there are Crees and Inuit in my riding also and I represent them.

His speech made me wonder about something and, since he is part of the government, maybe he can give me an answer. Transportation subsidies for food and goods destined for the Crees and Inuit, and, in his case, the Inuit in the Northwest Territories, will not increase; some cuts are even planned. There is a high birth rate in those communities; how can these people feed their children adequately?

Transportation subsidies are frozen and since food is often brought in by plane, families go without fresh produce, children do not get the fruits and vegetables necessary to their development. As a member of Parliament, can he explain how his people will find the money necessary for their own development?

[*English*]

Mr. Anawak:

[*Editor's Note: Member spoke in Inuktitut.*]

[*English*]

I thank the member for the question. Because of the riding he represents, the hon. member is as aware as I am of the high cost of food in the north.

I have been assigned the task of looking at the food mail program. I am to report back to the minister of Indian and northern affairs and the Minister of Health by the fall. I will be assisted by the Parliamentary Secretary to the Minister of Health who probably knows more about the nutritional values of fruits and vegetables, et cetera, than I do. I know the nutritional values of meat. If anyone wants to know about the nutritional values of meat, I can expound on that.

When I was sitting on the other side of the House the government of the day decided to slash that program, to eliminate it over a period of years. There was a cut in the last year but I think it is being sustained until the review is finished.

I assure the member that during the review we want to see how we can improve it. I will be seeking the member's comments on

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this. We know that money is very hard to come by today, but we want to see how we can improve the program so that we can stretch it out further to the people who have the highest cost of living anywhere in Canada and perhaps anywhere in the world.

I am sure members have heard me expound on the high cost of food in the north. A litre of milk costs \$5 and a loaf of bread costs \$3.95. There has to be a way to reflect the needs of the people in the north on how best to ensure that they get nutritional food.

(1900)

As the hon. member is well aware, and we have been expounding on it, the north has to be considered at the same level as the west, the east or central Canada. Therefore the services the people in the west and the east are used to should be available in the north, whether food or other services such as those of doctors, nurses, teachers and so on.

I thank the hon. member. I will be seeking his comments as well, because of the area he represents, on how to improve the particular problem.

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, is the hon. member aware that over the last 20 years spending through the Department of Indian Affairs and Northern Development has increased by some 750 per cent, yet conditions in the communities that native people live in have essentially remained the same?

Is the hon. member aware that within the last four years DIAND has committed \$1 billion toward native economic development? The auditor general's report last year clearly shows that the effect of that spending has been absolutely negligible in terms of its desired goals. In other words, the demand for social services continues to rise on a steady trend, the unemployment levels continue to rise on a steady trend, and the demand for social assistance increases in real dollar terms. This massive spending by the federal government has been an abject failure.

Would the hon. member agree that maybe it is time to review what the goals of the spending programs of DIAND were designed to do, whether or not they are actually achieving the goals, and whether the whole initiative the federal government has been engaged in for the last 25 years has been completely wrongheaded?

Mr. Anawak: Mr. Speaker, I do not particularly agree the situation is any worse since we have come to power. I should know. I go to my riding as much as I can and I go to other

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aboriginal areas in Canada. There is still a lot of work to be done but conditions have been improving on reserves.

I refer to the comments we got from Chief Ralph Caribou of Pukatawagan, Manitoba:

I am very happy to report that the skin problems amongst our people have decreased considerably this spring.

That is because of the water and sewage program introduced in Pukatawagan. Conditions are improving. There is a lot of work to be done and we are doing it.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I am pleased, as official opposition critic for youth and training, to talk about the motion introduced by my colleague for Mercier and dealing with the Department of Human Resources Development estimates, more particularly with employment services.

The first thing I would like to say is that grants and contributions under the employment and insurance program are presented in a misleading manner. Looking at pages 12.6 and 12.7 of the main estimates, you might think that grants and contributions to the program have increased from \$1,281,552,000 in 1994–1995 to \$1,354,381,000 in 1995–1996.

(1905)

However, the total of grants and contributions for 1995–1996 includes grants to individuals under the Atlantic groundfish strategy, as well as contributions to provincial governments for the older worker adjustment program which were not there previously. The same amount for 1994–1995 does not include these grants and contributions and that explains the increase from one year to the next.

If you take these two items in consideration for both years, the total of grants and contributions decreases from \$1,614,444,000 in 1994–1995 to \$1,354,381,000 in 1995–1996. It is therefore a decrease of \$260 million or about 16 per cent. The most important cuts are in the employment programs and in the Atlantic groundfish strategy.

We are particularly interested in the cuts in the employment programs. As the auditor general has often said, the departmental expenditure plans are more a way of hiding things than of informing people. The Department of Human Resources Development is more guilty than others in that regard, since it is presenting the information in a confusing and incomplete way.

When the time comes to collect taxes, the federal government is very clear. But when it has to explain what it does with the money, all of a sudden, everything is obscure.

Table 6, on page 2–24, shows that Quebec is not receiving enough of the employment programs' funds. According to these statistics, Quebec gets, in fact, 21 per cent of the federal funds in that field, when it accounts for 24 per cent of the Canadian population.

The Department's estimated manpower training spending, funded by the unemployment insurance fund, should reach about \$1.9 billion in 1995, \$521 million of which is for Quebec, which represents, in this case, a little more than its share of the Canadian population, that is 27.4 per cent of the total spending.

Since, in 1995, the regular benefits in Quebec cost \$3.4 billion out of a total for Canada of \$10.3 billion, which amounts to 33 per cent of the total, Quebec stands to lose \$113 million.

Moreover, the federal government perpetuates duplication and overlap by putting in place new programs, such as the youth service corps and the young trainee program. It shows clearly that Ottawa does not want to get out of that area of provincial jurisdiction. As well, the federal government tried to interfere in the area of education last fall by creating the fund for initiatives in the acquisition of knowledge and the office of learning technologies.

Even if the federal government is hiding its intervention by avoiding the word "education", it is precisely in that field of provincial jurisdiction that it wants to intervene more and more actively, as we can see from the new initiatives.

Speaking of figures, I would have liked to dwell more on the resources given to young Canadians, but I must say that getting those numbers is not easy. I am not talking about what was announced in a press release, for example, when the minister made public a certain number of initiatives last year. They were implemented later on, but we could not get the figures and details on where these services are offered and how much money was spent.

We were unable to get the figures for this year and last, although we asked for them on several occasions; we even asked the minister when he appeared before the Standing Committee on Human Resources Development. We can wonder why budget estimates concerning programs related to youth initiatives are not included in the government's estimates. Yet, they involve expenditures of several millions. This is also true in other areas of the department.

(1910)

Thus last year we had to call each and every manpower centre in Quebec to ask for the amounts of money available for manpower development programs in the whole of Quebec because there was no breakdown of this information by province.

A few weeks ago, at the Human Resources Development Committee, I also asked senior officials about cuts in the amounts allocated to education support. There is a \$262 million reduction from 1994–95 to 1995–96. Again last week we were

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told that we would get the answer a little later because all the information had not been compiled.

Is the answer so complicated that the minister, his staff and his high officials are not able to give us an answer? Or is it because they have something to hide? If public servants cannot cope, why cut 5,000 jobs at Human Resources Development, a department which is precisely committed to finding jobs for those who are out of work, the unemployed and welfare recipients? We could also ask why new structures like the Youth Service Corps are created if we are about to close manpower centres?

In Quebec the minister says that the decision has not been taken. Yet, all employees presently working in Labour Canada centres already know that there will be a reduction in the number of manpower centres in Quebec. The number of regional centres is expected to drop from 100 to 30. This is not very encouraging for people who would like to receive employment services from the Department of Human Resources Development.

The department is cutting its spending, but is also cutting grants to organizations dedicated to employment development, particularly among young people. In the last two years, a 15 per cent cut has been announced. Yet, these organizations had a placement rate of 75 per cent, which is significantly higher than many government services. What happened?

Contracts are for one year only, and we saw recently, at the end of the fiscal year, that the minister delayed giving an answer for the current year, with the result that, in some cases, it took two weeks to get an answer for the current year, with a warning that, this time, the contract would end on March 31. So, this suggested that further cuts might be made in the next budget. Of course, such cuts were announced in the budget. This suggests that further cuts will be made, beyond this 15 per cent.

Meanwhile, as the government wants to make cuts to manpower centres in Canada and has already announced some cuts in the positions of counsellors, the very people who are there to help the unemployed find jobs, as it is cutting grants to organizations dedicated to employment development, particularly among young people, by 15 per cent, last year, it set up a new program called the youth service corps. I want to remind people that this is a new name given to a previous program, killed by the Conservatives when they took office, which was called Katimavik. This program seemed to be very dear to Senator Jacques Hébert, whose hunger strike conducted on that issue was extensively commented on by the media.

Katimavik was re-established under the new name of youth service corps, but for what purposes? Occupational activities for youngsters like cleaning river banks, community projects, some

travelling. In the meantime, very productive organisations providing help to people looking for a job had their budget cut.

(1915)

Some are very clever when playing with numbers. For example, the minister told us not long ago that larger amounts of money were invested in the creation of summer jobs for students. It is always the same thing. He gets this result by adding data from the summer component of the young Canada works program and from the challenge program, which now has a new name. By compiling these data, he is able to claim that we spend as much and maybe more than last year on summer jobs for young people, although Young Canada Works is intended for much younger people and is offering activities which have nothing to do with any future occupation.

As I just demonstrated, in the area of social programs, the government tried to give less money, provide fewer services, and allocate fewer resources to help people find jobs. What is even more serious, however, is that the government—despite trying to blame the situation on its efforts to reduce the deficit and repay the debt, which will soon reach \$548 billion—is pursuing another strategy that is totally inconsistent with this. It is trying to interfere to a greater extent in areas of provincial jurisdiction, as it did yesterday by passing Bill C-76.

In addition to implementing some budget provisions, Bill C-76 allows the government not only to maintain health care standards but also to set new national standards in education and job training.

I am talking about the bill that was passed yesterday, but we saw it coming as early as last year, when the government clearly stated in its first budget its intention of moving in this direction. Besides the government, there are the advisory committees such as the National Advisory Board on Science and Technology, which, in its report submitted to the Prime Minister in May 1994, states that it is imperative that national standards of excellence be set with regard to the acquisition of skills and knowledge essential to good economic performance. After recently reading this little known report and checking with this advisory board, we realized that this study was done at the request of the Prime Minister's office.

Since federal funding for education comes mainly from the Human Resources Development Department, one would have expected this issue to be referred to the committee responsible for this department, on which I sit, or another related committee. Instead, it falls to an advisory committee on science and technology to examine the issue, at the Prime Minister's specific request.

If this report was completed in May 1994, this means that it was in preparation for a number of weeks or months before that. It is obvious that, almost as soon as it came to power, the new

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government had the clear intention of interfering further in the area of education.

I recognize two government members who were on the team assigned to travel across Canada. They noticed, as I did, and this is a fact, that as far as national standards on education and other matters are concerned, throughout Canada except Quebec, and more in Alberta than anywhere else, people expected the federal government to step in because they were getting the feeling that their provincial government was going to the dogs and starting to cut social programs. I realized that, in the rest of Canada, Canadians did not care as much as we do about the fact that the provinces have exclusive jurisdiction over certain areas, such as education, health and social assistance.

(1920)

However, in Quebec, the committee was able to see that it was just the opposite. Because of our distinctiveness, culture and history, because we are a nation, we want education to remain under provincial jurisdiction in Quebec.

The rest of Canada may change its views on social programs or education if it pleases, but we want to manage all of that ourselves. Since World War II, the federal government has been using its spending power, its power to collect taxes and redistribute funds in the areas I just mentioned: health and education in particular. It dips in the pockets of every taxpayer in Canada, including Quebec, to pay for that.

We demand our share, there is nothing wrong with that. Ideally, you know, tax points should be transferred to us. This is what we want. Quebec's National Assembly is unanimous in requesting this. Our claims began not even under the PQ government, but under the previous Liberal government. On many occasions, we asked for all our tax points for education and for job training.

I spoke about youth unemployment. We must not forget that more than 400,000 Canadians under 24 are presently unemployed. In Quebec, where 18 per cent of young people in this age group are unemployed, the situation is particularly worrisome. Add to that people on welfare. After last year's budget, unemployment rates have gone down, but because of cuts in the UI program, there are few additional jobs available.

That is why the Liberal member for Notre-Dame-de-Grâce voted yesterday against his own government, claiming that social programs are being destroyed. Referring to his long experience in the House, he said that the proposals were completely contrary to what was done under Trudeau and Pearson. Everything they did was destroyed in two years. He opposed the measures with good reason.

I am not of those who encourage parliamentary dissent, but in view of the reasons given by the hon. member, I think that it is worth mentioning.

Unemployment insurance cuts are being made in three ways: by extending the eligibility period, by shortening the benefit period, and by reducing the benefit rate. More and more unemployed can no longer claim UI benefits and are forced on to the welfare rolls.

Mr. Speaker, allow me to mention a particular case in my riding, which reflects the unemployment situation and which we have not heard from in quite a while. I am referring to the MIL Davie shipyard. Two years ago, 3,000 people were working at that shipyard which, like Saint John Shipbuilding, used to build frigates, military vessels. However, the number of orders has dropped since the end of the cold war.

As you know, during the election campaign, the government now in office promised "jobs, jobs, jobs". Yet, the figures show that there are no more jobs now than before. Moreover, a large number of existing jobs are not secure. Young people and women seeking to rejoin the labour force are the two groups most affected by this situation.

(1925)

What happened to the shipyard? Nothing. The federal government indirectly gave \$30 million to the Magdalen Islands shipping company for a used vessel. The Quebec government decided to do something and have a new vessel built, so as to create a number of jobs.

However, it is terrible to see 3,000 people in a riding like mine suddenly lose their jobs. Yet, since the local Canada manpower centre, along with Quebec, set up a reclassification committee, the unemployment data for the Quebec City region were not overly affected. There was a 0.4 per cent increase over a one year period. So the unemployment rate went from 12.4 per cent, in 1994, to 12.8 per cent this year.

MIL Davie workers were affected by the UI cuts. In Quebec, and that includes the Quebec City region, an additional 31,000 people are on the welfare rolls because of the cuts to the UI program.

I know that some questions will follow. This will give me an opportunity to conclude.

[English]

Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.): Mr. Speaker, the hon. member opposite mentioned that two fellow members of the human resources development standing committee are in the House. This reminds me of last November or December when our committee held hearings in 27 cities. I mention 27 cities to my hon. friend because some of us visited different cities. We held hearings in 27 cities in 35 days in 10 provinces and 2 territories, including

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the eastern Arctic. If anyone thought that was a complete holiday I would ask them to try to do the same thing.

My hon. colleague reminded me of the evenings. I especially remember one evening that involved a 45-minute trip from the airport in Sudbury to the hotel. It was cold and snowing but we had the most beautiful Christmas carols with a bilingual rendition supplied by the hon. member and the Parliamentary Secretary to the Prime Minister who is here now beside me. This bilingual rendition of "Silent Night" should have been cut on a CD. I am sure our sales would have been very high.

We got along very well most of the time. The hon. member tells us that HRD is closing down employment centres across the country and there will be less points from which people can get services. I wonder if the hon. member has been listening to the minister who is always so prompt and efficient in telling about the future.

There will be more centres for information, more access points in Canada than ever before. Kiosks will be set up. Canadians will get better service than they have ever had before.

The hon. member mentioned the government is cutting back on bureaucrats and on civil servants. Does the hon. member not have confidence in the dedicated civil servants who will do a great job to take up the challenge to provide the best services possible to all Canadians?

The hon. member might realize that during those hearings in Quebec, as in all parts of Canada, there was one thing the people asked of us. They wanted hope and to see a light for the future. They wanted jobs and a chance to get back into mainstream Canada. They wanted their self-esteem to be improved. They wanted opportunities.

I recognize my colleague as having a lot of talent, but would the hon. gentleman focus on getting our fellow Canadians back to work rather than trying to tear the country apart?

(1930)

With the talents that are sitting here opposite us, what a difference we could make if we did not spend hours and days and months trying to destroy what our forefathers have put together.

I dare say that if you go out on the streets of your home town or I do in my home town, our citizens have nothing against each other. They would like to live in peace and harmony and be able to feel that we are part of this one great country.

[*Translation*]

Mr. Dubé: Mr. Speaker, my hon. colleague, who is a fellow member of the Committee on human resources development, is right to recall something that happened at Christmas time. Members of different parties sang together. This shows, on our part at any rate, that our intention is not to fight against

individuals, against other Canadians, because we do not dislike them, we do like them, even though some are even more likable than others. We like them a lot and we feel that some of them do like us too.

That is not the problem. The problem is with the system, a two tier system, a federal system that might be suitable for the rest of Canada, but not for Quebecers. Even though you do like us, even though we keep repeating the same things to you, you do not understand how important it is for us to manage the areas of provincial jurisdiction mentioned in the constitution, like education. Yet everything was spelled out in this contract concluded in 1867 between the two founding peoples which had agreed upon that.

You know very well that since World War II, the federal government, through its spending power, has been interfering in areas of provincial jurisdiction, and Quebec resents that. Yes, we are a different people, even though we do like you. This is not about fighting each other. That is why the Bloc Québécois has stressed the need to maintain an economic union with the rest of Canada, and to propose such a union.

As for the management of public finances, and our taxes, as for what we feel is important to us like education and job training, we would like to manage that by ourselves. We are telling you again. You do like us, but you do not understand. If the minister or his predecessors understood or cared to give the impression they understand, the problem would easily be solved. The government could take the funds earmarked for occupational training, give tax points to Quebec, and set national standards for the rest of Canada.

We are not trying to paralyse the rest of Canada. We simply want to use the powers that were granted to us in 1867. Those are Quebec's historical demands.

The hon. member for Brome—Missisquoi is well aware of that, since he is from Quebec. All Quebec governments, including the Liberal government of which his brother was a member, demanded that tax points for occupational training be handed over. He should understand. He knows what this is all about. But there is the party line. The party line held fast despite all the demonstrations witnessed by my two honourable colleagues who sat on the human resources development committee. Yesterday, they voted with the government on Bill C-76 implementing the budget, despite all they had seen and heard, like tables being overturned in Montreal, and demonstrations in Vancouver.

I went to 23 of the 27 cities you mentioned, and you know perfectly well that there were demonstrations in all of them. People do not want cuts in social programs. They say our deficit and our debt are not due to social programs, and that the roots of the problem are to be found elsewhere, particularly in our tax system.

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The Acting Speaker (Mr. Kilger): Before resuming debate, I remind the hon. members that they should always address the Chair.

[English]

I remind colleagues on both sides of the House to make all your interventions through the Chair and not directly to one another. Maybe not today, but in another debate on another day it could be very useful that we follow the best parliamentary traditions of this House.

(1935)

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am honoured to speak in support of full supply for the 1995–96 main estimates.

In the preparation of these main estimates, the government made not only the tough spending and program choices necessary to meet its fiscal targets; equally important, it has taken steps to ensure that control over spending becomes a permanent feature in the management of the government's programs.

As announced by the President of the Treasury Board on February 15, 1995, a new expenditure management system, EMS, is being implemented. This represents the most significant overhaul of the government's expenditure system since the early 1980s.

EMS is a system designed to ensure that we keep spending under control and provide the best programs and services possible within the resources available. Among its key features, EMS emphasizes the ongoing review of programs and managing through reallocations. This is significant because new initiatives as well as most cost increases in existing programs will be financed through reallocation from lower priority programs.

The central policy reserves, which were traditionally a source of funds for new initiatives and did not encourage the ongoing review of existing programs, are being eliminated. A contingency reserve will continue to cover the risk of statutory expenditures exceeding their projections. It would be used, for example, to respond to changing economic conditions. In addition, the Treasury Board will continue to manage a small operating reserve. However, the role of the reserve will be altered from funder to banker. Departments borrowing from the operating reserve will have to repay advances with interest in future years.

In addition, in cases where reallocation is not feasible priorities for access to the operating reserve have been established. In considering requests priority will be given to funding bridge financing projects that offer significant productivity payback, meeting urgent health and safety requirements and protecting the essential integrity of critical programs and the capital asset base.

To ensure that we stay on track and reduce the deficit and meet our fiscal targets program planning will become more closely integrated with the budget planning process. Decisions on new initiatives and major spending reallocations required to finance these new initiatives will generally occur during the annual preparation of the budget.

The establishment of program review and resource allocation as an integral part of the budget process means that the opportunities to propose new spending will be reduced. Ministers are called upon to manage within the resource limits of their respective portfolios.

The government recognizes that funding through reallocation of resources calls for a more strategic approach to resource management at all levels. For this reason, the EMS requires the preparation of departmental business plans. In these business plans, departments are responsible for determining how existing programs must be changed to meet expenditure targets and new government priorities.

The multi-year time frame of business plans will encourage departments to look ahead and examine the major directions and objectives that should be pursued for the planning period, which is the estimates year plus two future years at a minimum.

A major focus of the business plan is the identification of strategies to bring about the major changes and adjustments that are needed. Other elements include the goals, targets, and performance measures that will be used to assess program results and performance information concerning areas affected by the significant changes.

In addition, it is important to note that the business plans take an integrated approach to the management of change by examining all functions that are central to the department in making business adjustments, whether they be financial, human, technological, or capital. Business plans will help departments and central agencies plan in an organized and methodical way to make the adjustments required to get government right during a time of rapid reductions in resources. Furthermore, these plans will enhance the information available to Treasury Board ministers. Decisions on Treasury Board submissions will be made in the context of strategic perspective and clear business direction for each department and agency.

Members of the House of Commons will also be able to review the overall thrust of departmental programs over a multi-year period. In February 1994 the government introduced changes to our Standing Orders of the House of Commons, including Standing Order 81(7), which states:

When main estimates are referred to a standing committee, the committee shall also be empowered to consider and report upon the expenditure plans and priorities in future fiscal years of the departments and agencies whose main estimates are before it.

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(1940)

To assist members of the standing committees in carrying out their responsibility to consider and report on departmental expenditure trends and priorities for future fiscal years, ministers will provide the departmental outlook document directly to the chairpersons of the respective standing committees.

The departmental outlooks are based on the results of the business planning process. They will describe management and operational strategies departments intend to pursue over a multi-year time frame in order to make whatever fiscal and policy adjustments are necessary to deliver government services.

I am confident that parliamentarians will have a better perspective on the issues facing the government and the downstream implications of government spending as a result of the introduction of departmental outlook documents. Departmental outlooks are one example of the government's efforts to improve information available to all parliamentarians on government programs.

The government is also striving to enhance the performance information that is provided to Parliament. In recent years departments and agencies have been developing service standards in order to advise the clients of government programs what level of service they can expect in terms of timeliness, accessibility, reliability and responsiveness, and what action to take if service does not meet these standards. All departments and agencies will have developed standards for their primary services by the end of 1995. The publication of departmental performance in relation to these standards has already begun.

With the expenditure management system parliamentarians have an opportunity to become fully engaged in expenditure planning. Consultation with Parliament is in fact one of the guiding principles of this approach. Parliamentarians will be able to support ministers and their departmental officials in their efforts to reallocate resources and meet our target of reducing the deficit to 3 per cent of gross domestic product by 1996-97.

The government will be consulting us on important initiatives designed to provide better information to Parliament while enhancing the accountability and flexibility of departments in managing their resources. In particular, I would draw your attention to the reform of the estimates currently under consideration. The introduction of departmental outlook documents emphasizes the need to rationalize reporting to Parliament. The current form and context of part III of the estimates and the departmental expenditure plans were derived from information needs defined by parliamentarians over a decade ago. Parliamentarians should now take the time to comment fully on how reporting to Parliament could be improved. The question to

consider is how does the government ensure that the part IIIs meet the information requirement of parliamentarians today without placing an undue reporting burden on departments or agencies.

In addition to part IIIs, the reform of the estimates will focus on a number of related issues where changes may be introduced to create flexibilities and incentives for departments to manage their resource requirements through reallocation. The option of increasing the vote threshold for separate capital expenditures, grants, and contribution votes is a good example of the changes being considered in the context of the reform of the estimates.

The current threshold of \$5 million was established in consultation with the standing committee on public accounts during the 1970 reform of the estimates. Over the past 25 years the number of separate votes has increased, in part simply as a result of inflation. To expand managers' flexibility to reallocate resources we should consider increasing the threshold at least to a level that would take into account the impact of inflation on capital expenditures, grants, and contributions.

A related option being examined is the possibility of establishing an operating budget vote. Minor capital expenditures are considered to be part of the operating budget. However, for departments and agencies with separate operating and capital votes minor capital expenditures are included in the capital votes. An operating budget vote would allow managers to use the full flexibility of the operating budget to transfer funds between minor capital, operating, and personnel expenditures.

In summary, the new expenditure management system will provide for ongoing review of programs and spending to reduce expenditures and identify opportunities for reallocation to higher priority programs. It includes parliamentary and public input into the budgetary process. It introduces better strategic planning and a process for adjustment programs and services through the implementation of departmental business plans. It also improves accountability through a focus on making better performance information available to Parliament and the public.

(1945)

I remind members the overhaul of the expenditure management system formalizes the approach the government has taken to decision making on spending, namely financing, through reallocation. It is a major step forward in fostering greater fiscal responsibility and making the best use of taxpayers' money in delivering high quality service to all Canadians.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Madam Speaker, I enjoyed the talk from the hon. member about the new expenditure management system. I think there are, at least potentially, some innovative and good ideas from the government. It remains to be seen how that will be played out in the actual budgetary process. At least on paper there seems to be

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some hope and optimism for improvement of the budgetary management system. For that we should all be grateful.

I am wondering if the member would comment on what we are doing tonight, working late on the estimates. It seems to me one other improvement to the system could be that instead of voting on the whole sum of the estimates, to vote on a reduction in the estimates. In other words, if we wanted to reduce the estimate by a million dollars, we vote on the reduction rather than voting on the whole block sum, which means we either have zero expenditures or the entire sum the minister would like.

I wonder if he thinks the estimates procedure would have more validity with the Canadian public by allowing some input at the end of the process instead of only at the beginning of the budgetary expenditure process he talked about. Does he think that is a good idea?

Mr. Szabo: Madam Speaker, I thank the member for noting that a number of ideas and proposals have been tabled by the government with regard to the expenditure management system, many of which I outlined in my comments.

We are working late. We expect the debate will carry on until 10 p.m. We have votes following that. I understand there are some 63 votes.

The House through its co-operative approach to House business has adopted a new approach to deal with the votes members take here. The other evening we did manage to get through some 19 votes in a very short time. That is the kind of example that bodes well for the suggestion the member has made that possibly the entire process of the estimates tabled by the President of the Treasury Board could be streamlined so that we could put some focus on those areas, particularly where changes, adjustment or reductions are being proposed by hon. members, and that the debate be focused on those items.

That is a productive approach and I encourage all members to make that input in the House and directly to the President of the Treasury Board. I am sure productive suggestions such as that will get very careful consideration.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Madam Speaker, I listened carefully to the speech made by the hon. member who described briefly the management control system the government is trying to set up.

Indeed, this is an issue that concerns all hon. members. As elected representatives, we wonder how to regain control over the bureaucracy, to get more leeway in our dealings with the public servants and, especially, to be advised in a more timely manner of the decisions that need to be made. How are we to explain the difference between the commitments made by the current government when it took office and the very few

achievements it has made since then and the results it got, especially in terms of job creation, if not by pointing out the influence of the federal bureaucrats?

(1950)

I would like to know if the hon. member would, in order to show that the government is acting in good faith, be in favour of implementing the new management system right away in two specific instances, the first being the following. Some decisions found in this year's budget will only come into effect in 1997–1998. For example, the experimental farm in La Pocatière will be closed on or before March 31, 1997. Under these circumstances, could it be possible to review this decision during the new prebudget consultation process, so that if we were to realize that the decision is wrong, we could try to convince the government to reconsider?

To conclude, I would like to give you another example which deals with the reorganization of the employment centres. As a sign of good faith, could the government refer the reform proposal prepared by its bureaucrats to the hon. members, so that they could express their views on it before the decision comes into effect?

[*English*]

Mr. Szabo: Madam Speaker, I thank the hon. member for the comment. I think the important principle here is that when the government considers changes to the way it operates, its procedure and expenditure management system and many of the decisions referred to by the member, it consults. It has consulted extensively right across the country. The important phrase is to get government right. It has to be done properly.

The direction of the government and the proposals it has put forward will more fully implement the will of the House to get government right.

Mr. Alex Shepherd (Durham, Lib.): Madam Speaker, it gives me great pleasure to enter this debate on supply. The theme of my dissertation will be how to improve the accountability of government programs and make the systems more efficient.

I have often wondered coming to the House how it was possible that Canada created the debt it has today. I think it is \$550 billion and rising. I have often wondered who was controlling the cheque books and why it was so easy for the debt to accumulate, seemingly without the knowledge of a lot of the people in control.

Did people actually ask for all the services they received, or for some reason did the system actually give them services they did not request?

No one seems to have taken responsibility for our spending behaviour in the past. The government is now doing that, taking

control of expenditures and trying to find ways to effectively reduce them.

Has the Treasury Board in the past acted as a comptroller? Time and again in investigating the role of the Treasury Board I have discovered it often delegates authority to individual departments. Invariably departments seem to control their own expenditures. Individual departments historically have overspent. In the private sector if that were the case we would expect job losses and all kinds of negative connotations. Overspending in the past seems to have been a merit system. As the department spent more money it became larger and larger.

Studying the estimates is very difficult. I know members have a great deal of difficulty going through individual estimates to get a handle on how government spends. I am looking at the estimates and I see three lines. One is the 1995-96 estimates, one comparison column is the 1994-95 forecast, one is a 1993-94 actual. None of these three columns is a place in time. None compares estimated to actual expenditures. It must be very difficult for members of Parliament and others reading these documents to make any sense of where expenditures are occurring and where we have overshot our original estimates.

(1955)

How can we make government accounting more understandable? I know we are moving slowly to set up an accrual system within government and to record assets. What do I mean by that? Currently the accounts of Canada are kept on a cash basis. We only record things when we actually pay for them and we only record revenue when we actually receive it.

I am not trying to demean farmers but they have been keeping their records on this matter for the last 100 years. It seems the business of government is big business and we need a better methodology of capturing what governments are doing. A more understandable methodology would be instead of focusing on the expenditure system we now have, we possibly think about revising it. What do I mean by that?

We should look at two aspects of expenditures, investments and consumption; in other words, governments spend and what do they spend on. They spend in forms of investment, which is education, training, anything that upgrades the skills of the country.

The other expenditure is finance consumption. We look at programs like the Canada pension plan, unemployment insurance, transfer payments in support of social services. These are all programs in essence that finance consumption.

If we could look at government accounts from a more focused point of view and ask ourselves whether it an expenditure for investment or an expenditure for consumption, we would have a

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better concept of how governments spend and more effectively how governments can spend so they are actually putting some good back into the economy. For instance, do we want to spend money on training or do we want to spend money on unemployment insurance? Clearly our focus should be to upgrade skills, possibly focusing on high school students who have dropped out of the educational system and upgrading their skills so they can get back in the workforce.

If we undertook an accounting system a little more focused it would give us a better idea of how governments spend and why. Clearly we have to reduce total expenditure but while we are reducing total expenditure we should also consider a shift from the consumption side of government to the investment side.

Today I was pleased to introduce a private members' bill. Since it deals almost exclusively with this very area, certainly a coincidence, I cannot help but resist in speaking a little about what that private members' bill would do to increase the accountability of government programs.

The bill basically requires all new programs entered into by the government, individual departments presenting programs to the House, prior to their being presented, be properly costed. Properly costed means they also have a certification by the auditor general that the methods of projecting costs were appropriate. This goes back to some of my original comments.

How did we get into the problem of overspending in the first place? It seems we have fallen into a lull where we bring in programs that sound good, somebody says they cost a certain amount but nobody really knows because they have not taken the time to do that properly, and two or three years later when the bills start coming in we discover the thing is way out of hand.

(2000)

The bill would also take these programs and cost them on a per capita basis. In other words, each individual in the country would know that he or she is paying x number of dollars as a share of this program. That may give individuals in the public domain a better perspective of what they are paying for these programs.

People feel very removed from the estimates and other aspects of government financing. They feel it is not their money. Many people believe in magic, that somehow things happen magically either in Ottawa or the provincial capitals, that somehow the money coming back to them is not really theirs but the next door neighbour's or someone else's. If there was a proper accounting system that costed programs on a per capita basis, people would take more of an interest in the kinds of programs governments are announcing.

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Other aspects of government must be encouraged to create competition. Competition can be created within government, within departments and also between governments and the private sector. Competition will also breed efficiency.

In addition, a very important aspect of spending in the federal domain will be to affix responsibility. In other words, line managers should be responsible for their expenditures. We should also consider remuneration partially based on successful management of programs.

I had a very interesting tour of a Darlington nuclear reactor which is in my riding. I was very surprised at what Ontario Hydro of all places has done. It has actually made individual managers responsible for the number of kilowatt hours produced in that plant. If the managers are under they lose part of their bonus. This marks the way we should be dealing with our expenditure programs as well.

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, when the hon. member started his intervention he said he was reflecting on how Canada got to be in the debt situation it finds itself in today. He was somewhat perplexed. He was wondering who had control of the cheque book.

I am a little amazed this member would think the Reform Party would be so naive that we did not know who had control of the cheque book. Does the hon. member recognize the names of MacEachen, Turner and Chrétien who all had control of the cheque book in the seventies and the eighties while this debt was being racked up?

I find it amazing that Liberal members in the House will ask how did Canada get into the situation that it is in today and will start pointing fingers at the Tories and others and not be willing to shoulder the blame themselves, because the blame falls squarely on their shoulders.

Mr. Shepherd: Mr. Speaker, I thank the member for his comments. It is unfortunate we have to take a serious matter such as government financing where we are all trying to find solutions to Canada's debt problems and turn it into a political charade.

The reality is all western countries: the United States, the United Kingdom, all OECD countries, during this same period of time ran significant deficits. It is not a unique Canadian problem. It is not related particularly to the Liberal Party, the Tories or anybody else. It was a symptom that occurred in North America and Europe, in fact, in most western countries.

I am trying to find out why it happened so it is not repeated. That is enough of an acknowledgement. The reality is we cannot talk about the past forever. We have to get on with the future, which is what the government is trying to do. It has a very good plan and it should be supported.

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, I am pleased to be able to ask a question. It is absolutely amazing that the hon. member does not understand how it happened. It is really very simple how it happened. If the government spends more than it takes in it will end up in a deficit situation. If the government keeps doing that every year, time and time again, the answer is that the debt gets larger and larger.

(2005)

The member then makes the comment that perhaps since all the other nations are in that situation Canada would be in that situation too. This reminds me a little bit of a farmer who says: "Just because my neighbour drove his tractor into the ditch I should too". That does not make any kind of sense at all.

I suggest to the hon. member that the way this happened was that governments spent more than they took in. When are we going to be independent and responsible to the taxpayers?

Mr. Shepherd: Mr. Speaker, I thank the hon. member for his comments. I do not think he can give me any lessons in mathematics on things I already know and that is obviously that deficits occur by the very fact that more money is spent than is brought in.

The essence of the member's question is that he does not seem to have been sitting in this place for too long or maybe he has been away. The reality is that there are significant reductions in government expenditures. The Western Grain Transportation Act will affect his constituents. The Atlantic freight subsidies have been eliminated. There have been substantial changes in attitude toward privatization. Canadian National railway is being privatized. Numbers in the civil service are being reduced. Therefore, the reality is that expenditure reductions are occurring.

The government is taking a balanced approach to this. I do not think it can cut to the point where it would actually push the country back into a recession. The growth rate in the economy right now is somewhere between 3 per cent and 4 per cent which increases government revenues. Therefore, it is a balanced approach between expenditure reductions and, at the same time, attempting to get the economy to grow.

The Reform Party would take a slash and burn approach so that the 3 per cent figure would turn into a recession and everybody in the country would be back on the unemployment lines.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I want to make a couple of points.

First, I would like to try to distance his comments from the Prime Minister who was finance minister as these deficits started increasing dramatically. If the member would at least acknowledge that an error was made at the time and that the

government was going to try to correct the error, he would be moving in the right direction.

The second point is that to make a statement that the government has lowered its spending is totally out of line. Spending in this budget, by the government's own figures, has increased by about \$1.5 billion. Therefore, let him be accurate about the budget. I would think this member would know this.

Mr. Shepherd: Once again, Mr. Speaker, the Reform Party has a lot of difficulty with mathematics.

Essentially the expenditure increases are increasing at a decreasing rate. This is the first time that has happened. The last two budgets that the government has been involved in it has actually met its targets. It is the first time that I can remember in my lifetime when not only did it meet its budget targets but actually exceeded them by \$4 billion. This is a success story, not a failure.

Reform members want to go back and study history. I think this is what is wrong with them, they are not forward looking. They do not understand how we are to solve these problems because they keep looking back in the past.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I wish to inform you that I will be sharing my time with my colleague from Skeena.

It is clear to everyone but the Liberal government that its 30 years of social engineering experiments have failed and failed miserably. The main reason why social programs have become unaffordable and unsustainable is because they create greater and greater dependency on social programs. No matter how these programs are designed, the end result would always be the same. More and more people would use the system and eventually it becomes unsustainable. The government can no longer afford to pay the huge sums of money needed to satisfy everyone's so-called needs. This is why half of the people on welfare today are described as employable. That is why the unemployment insurance program actually creates unemployment.

(2010)

I will give an example of some of the things that the auditor general has said in his 1994 report. He said: "Rising social program use and high repeated use suggests that social programs may be creating long term dependency among some users". Here is something else the auditor general said: "Disincentives to work are created when benefits from social programs compare favourably to earnings from jobs". He also said: "Employers and employees may be using unemployment insurance to support short term layoff strategies". "Interactions among social programs may result in programs working at cross purposes to each other". Finally, the auditor general said:

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"Unemployment insurance may be a factor in Canada's rising level of unemployment and in the lower level of outputs that result".

Today we are debating a motion which will authorize the government through the Department of Human Resources Development to spend over \$1.3 billion. The same lack of thinking that the auditor general reported last year is evident today.

The government is proposing to spend \$55.3 million on grants to improve employability and promote employment opportunities. It can provide no proof that the money it has spent on such grants in the past has improved employability and yet it continues with this program. It can provide no proof that the millions and millions of dollars have actually resulted in promoting employment opportunities and actually have resulted in real jobs.

If this motion passes, the government will spend over \$1 billion on grants to the sectoral training fund and on payments to facilitate the efficient functioning of the labour market, whatever that is. Study after study shows that make work projects do not create jobs. Study after study shows the government's training programs fail to train people for real jobs that are needed by the private sector.

The government cannot predict where the job vacancies will be next year, let alone five or ten years from now. When will it realize it should leave the hard earned tax dollars in the taxpayers' pockets and let individuals pay for the training they think they need? When will it realize it should leave the hard earned tax dollars in the hands of employers so they can run their own on the job training programs which are far more effective than any other type of training?

The government wants to force people into institutions to take training for jobs that are downright scarce or non-existent. It pays for training and employment programs because it supports the status quo. These programs actually support a huge bureaucracy that could not survive if it were judged on effectiveness and results. These programs support government handouts to special interest groups that are also more interested in the survival of their own organizations than they are about the workers they purport to represent.

The vote on this \$1.3 billion of taxpayers' hard earned money is an admission of failure by the government. It is an admission that it is committed to repeating the failed policies of the past 30 years. It is an admission that it has no new ideas about how to get people back to work.

The government knows the only way to create real jobs is to reduce spending, balance the budget, reduce taxes. Reducing taxes creates real jobs. Government programs like these create more government spending, which creates more debt, which

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creates higher interest payments, which creates higher taxes which kills jobs.

While we were having this last exchange a few minutes ago one of my colleagues went out to get a book to actually show the members opposite what the budget is all about. They do not believe that when the government says it is making all these difficult cuts it is actually increasing spending. They do not understand by their own numbers that they are not doing what they claim they are doing.

(2015)

Higher taxes kill jobs. George Orwell's doublespeak is alive and well in the Liberal government. They tax the people and employers, which kills jobs, and then spend the money on programs that they say will create jobs. More jobs could actually have been created by simply not taxing the workers and the employers in the first place.

When will the government learn? How many more billions will we have to waste? How long will it take for the Canadian people to realize the Liberals and Conservatives are the same? Those who came before them and those who are here presently have been running a shell game, which benefits mainly the bureaucrats and the politicians.

Even if these programs did work, and they do not, training and employment programs are areas of provincial jurisdiction under the Canadian Constitution. It is not the job of the federal government to even be involved in that.

The federal government is proposing to spend \$1,329,481,000 in an area that is the sole jurisdiction of the provincial government. If I were the premier of a province I would be demanding that the government quit taxing my people by the amount they are spending in my province and get off my turf.

If government members wanted to understand how to prepare a budget they should look at the Reform's taxpayers budget. It started with basic principles. The first principle is that we will get the federal government out of areas where they are intruding into provincial jurisdictions.

Mr. McCormick: How come you spent all the infrastructure money?

Some hon. members: What would you do?

Mr. Breitzkreuz (Yorkton—Melville): Members opposite are shouting all kinds of comments, asking "What would you do?" We have clearly demonstrated that. We have laid down principles. When there are principles then you build the budget on that.

We said we would eliminate 100 per cent of the grants to business. The taxpayers' budget said we would eliminate 100 per cent of grants to special interest groups. We made that absolutely clear. Is the government listening? No. It caters to all these special interest groups and it keeps funding them.

We do not have enough information in the estimates to know how many of the grants and handouts are going to businesses and special interest groups. If we did I think we could cut millions from this motion alone if they would only come clean and give us that information.

Reform also said that for all the training programs and make-work projects where the federal government is intruding into areas of provincial jurisdiction Reform would gradually return the responsibility to the provinces. Under a Reform government this process would be completed over five years to allow for a smooth transition. We proposed an immediate 24 per cent cut in this fiscal year.

Now the government will claim that Reform's principled approach is somehow hard hearted. I maintain it is both hard hearted and soft headed to keep spending money on programs that do not work. It is both hard hearted and soft headed to spend tax dollars that would produce a worse job creation record than if they had just lowered taxes.

The government will cry that thousands of people helped by the Atlantic groundfish strategy will have no alternative but to go on welfare. I have two things to say to that in response to these soft headed views. First, what is so bad about welfare in a crisis? The federal government already pays 50 per cent of the cost of the program, and if the provincial governments want to direct their welfare money into workfare and training programs, as the federal government has done, that should be their choice. It should not be decided by a bunch of bureaucrats in Ottawa.

Second, the federal government created the fisheries crisis by mismanaging the fishery. Then the federal government responded by creating a \$164 million make work program for the federal bureaucrats. A better federal response to the crisis in the fishery would be to provide emergency funding to the provinces to top up what they get through the Canada assistance plan or equalization payments. Then the provinces could spend the money in accordance with the wishes of the communities and the people hardest hit by the crisis. That money should be distributed and should be used by those who understand the situation best, not by a bunch of bureaucrats back in Ottawa.

(2020)

Is this too simple a solution? This government likes to play politics and create these grand programs that make it appear like it is doing something, but the simple solutions it seems to avoid. I am sure it will be a long time before any common sense

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approach like this is ever advanced by the Liberal government, its power hungry politicians and money hungry bureaucrats.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I listened attentively to the remarks made by the hon. member.

I remind the member we have members of Parliament from every region of the country. I believe our members of Parliament, especially the minister responsible for fisheries and oceans, who also comes from Atlantic Canada, are well equipped to give advice to the House on the types of programs that would assist their constituents when they are going through this very difficult period.

One of the things the Reform Party has to face is that it does not have any members in Atlantic Canada. Because the Reform Party does not have any members in Atlantic Canada it would like to let the local and provincial authorities do it. However, as the national party, the Liberal Party has members who are sensitive to every region of this country.

The point that caused me to rise this evening had to do with the whole issue of tax reform. I came to Parliament full of hope that the Reform Party would have a very tight focus on the whole issue of comprehensive tax reform. What do we hear day in and day out in question period? During the last couple of weeks I have had the opportunity to look at question period, and I notice that the Reform Party has not focused on the issue of tax reform. I think maybe once the member from Calgary gave a pretty good speech on it. Here is an issue that could affect the lives of every Canadian. It was the Reform Party's issue during the last election, but its members came to this House and deserted it.

The hon. member said we should cancel grants to business. The biggest grants to business in this country are the billions of dollars that are buried in the tax act, many of which go to foreign multinational oil companies in the form of tax credits. Will he stand up in the House and say that all of those tax credits, tax grants, and tax preferences should be cancelled?

Mr. Breitzkreuz (Yorkton—Melville): Mr. Speaker, I will make comments on the various areas the hon. member mentioned.

If the principle I was espousing, that the people in the local areas best understand the situation and can best manage the funds and the fishery, were instituted we probably would not be in this mess today. I still maintain that one of the biggest problems with all the programs the government runs is that the bureaucracy in Ottawa is out of touch with the people in the local areas and cannot administer these programs properly.

Then the hon. member went on to blame Reform for the inaction of the government because we have not touched on this

area or on that area. I find it inexcusable that the government would use that excuse to explain why it is not acting on tax reform.

We have clearly said that we need to balance the budget and we need to do it as soon as possible. If we were to balance that budget within the next three years we could begin to see the light at the end of the tunnel. We seem to think we have to provide these incentives for businesses to come from other countries and invest in Canada. Why? Because we overtax in the first place.

(2025)

If we would get our act in order and begin to reduce government spending to the point where we could reduce taxes, this question that he has posed would be redundant. We would not even have to consider it. That is the problem.

We have been overtaxed to the point where we are driving businesses out of Canada. Now we try to compensate by giving them grants and tax concessions.

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, in speaking to the estimates this evening I use the example of the Department of Indian Affairs and Northern Development in my remarks.

As I said in my earlier intervention, federal spending in this department has increased 750 per cent over the last 20 years. In the past year alone, spending in this department has increased 8.5 per cent, which is faster than the rate of increase in population and the rate of inflation combined.

What are we getting for all this spending? What are the results? The auditor general expressed serious concerns about spending in this area. He pointed out that the results are not there. He pointed out that when \$1 billion was appropriated and earmarked for CAEDS, which is a native economic development program, over the period of time that money was expended the demand for social services and the rate of unemployment on native reserves continued to rise at a steady rate. This massive spending on economic development had absolutely no impact on the problems that existed on the reserves.

What does the government do? It pays absolutely no attention to what the auditor general says. It pays absolutely no attention to the hard and tough questions we ask of why we are spending this money, what are the results this expenditure is supposed to achieve, and what it is achieving. The government continues blissfully on expending the money because it feels it has to. It is motherhood to them. They cannot possibly see any other way than to continue, because this is the way things have been done in the past.

The other major problem the auditor general pointed out was accountability. I have had occasion over the last 18 months to travel to a number of native Indian reserves in Canada. I have had occasion to hear from a large number of ordinary grassroots

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Indian people who are very concerned about the accountability on their reserves, who are very concerned about the fact there is a small elite group of people in their communities who are receiving a tremendous amount of largesse from the federal government and most of the people are ignored. Most of the people are not receiving any benefits to speak of. Most of the people are living in destitute conditions.

Obviously there is a very serious problem with accountability. I personally as a member of Parliament keep bringing this up and asking the minister to investigate claims, to go to these communities and find out what is actually happening. The response I get is this is an internal matter for the band to deal with and we will not get involved.

Massive amounts of Canadian taxpayers' money are being sent to reserves, to the control of an elite group of Indian leaders with no accountability to their people and no accountability in effect back to the federal government. Is that the way we want to see our tax dollars spent in this country? Is that the way we want to see our society in Canada in 1995? I submit that this constitutes a massive fraud on the Canadian people and a massive fraud particularly on the poor people in these reserve communities, who actually believe that they are supposed to benefit from this expenditure and they actually do not.

We have built a welfare state in this country. I think everyone or most thinking people have come to realize that. Over the last 30 years we have constructed a massive welfare state and we have all the resulting problems that go along with that.

(2030)

There are the increased crime stats. There is the increase in poverty and the increased lack of individual initiative. The more dependency on government, the more people are willing to look at government instead of looking at themselves as the ones who are responsible for themselves.

Nowhere is this more true than in the native communities in Canada. If we think we have a welfare state in Canada, take a look at Canada's Indian reserves and see the welfare state that has been created there. It is many times worse than what we have in the rest of Canada.

I submit that what the government is doing with these expenditures is perpetrating that. It is perpetrating a fraud on the Canadian taxpayers. It is perpetrating great and serious harm to the people the Canadian taxpayers feel they are actually helping. The net result is that we are going to end up with a greater debt. At some point we are going to become insolvent. At the same time we have created a tremendous amount of harm in these communities.

Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.): Mr. Speaker, this debate on full supply

of the estimates is an appropriate time to examine how well this government is increasing the cost effectiveness of its spending. I take this opportunity to explain some of the initiatives we are taking to make government services more affordable while at the same time maintaining or improving the quality of those services.

The government undertook the program review to identify those programs and services which in this environment of fiscal restraint are no longer needed or that the federal government no longer needs to deliver directly. The results of this review were outlined in the budget. The government has indicated the areas in which it is reducing its role or where other levels of government, the private sector or partnership arrangements can provide services more efficiently.

With respect to the programs that are truly needed and which the federal government will continue to provide, Canadians want this government to maintain the quality of its services and to deliver them in the most cost effective and responsive way possible. Affordable and quality service delivery will be watchwords of this government. For programs and services that remain its responsibility, the federal government is committed to ensuring that its clients receive quality affordable services that are accessible, responsive and balance the interests of taxpayers and those receiving the service.

With ongoing expenditure restraint, a key challenge will be to find new cost effective ways to design and deliver quality programs and services and wherever possible, to continue to make significant service and efficiency improvements in the delivery systems.

Across the government, departments and agencies are responding to this priority with innovative approaches to delivering programs such as the use of information technology, partnering with clients and other organizations and streamlining their operations. I describe for the House a number of initiatives that are now under way and which aim to achieve a public service that consistently provides affordable and quality services.

The government has developed a number of general strategies for achieving this goal: adopting more efficient ways to deliver programs; focusing on service standards and quality; providing client oriented delivery; cutting regulatory red tape; promoting fairness through cost recovery; enhancing efficient resource management; and using technology.

Following a commitment in the 1994 budget, the President of the Treasury Board released a draft declaration of quality services to federal employees in December 1994. This document identifies the following principles that all federal employees are expected to adopt in delivering quality services.

Services are to be accessible, dependable and timely. Timely access to the right service can be improved for example by making services increasingly available at times and in ways that are more convenient to the public. Services are to be delivered clearly and in an open manner. Communicate in plain language with clients about how services are managed and delivered. As regulations and decisions become more complex, make them more easily understood.

(2035)

Services are to be delivered fairly and respectfully. Canadians expect to be treated in a fair and courteous manner when they use our government services. Services are to be good value for tax dollars, basing decisions on affordability, sound principles and good judgment to demonstrate the value of service to the Canadian public. Services are to be responsive and those delivering them committed to an improvement.

Ongoing consultation, asking clients what they think about the programs and services and how they can be improved is the cornerstone of quality service. After consulting employees and the public, the government will release the declaration to Canadians later this year.

Canada business service centres, CBSCs, provide one access point for information, assistance and referrals on all government programs and services to business. With the recent opening of a CBSC in Toronto there is now a network of 10 centres, one in a major urban centre of every province. In most cases these are funded jointly and operated with a province, or a province and the private sector. Clients have access to services by telephone, fax and in person.

As part of its action plan "Agenda: Jobs and Growth: Building a More Innovative Economy", the federal government has increased its support for this initiative to \$15 million annually for four years. It is expanding services to meet the information needs of business clients by improving access through co-operative arrangements with community based organizations such as the economic development commissions and chambers of commerce, increasing the availability of direct computer access to the information from home or office, and continuing to improve information particularly on regulatory matters of interest to business.

Several departments continue to make services available to the public through common government access points at over 300 infocentres across Canada.

Businesses will be able to use a single business registration number which is being phased in during 1995 to gain access to several Revenue Canada business programs including those relating to payroll deductions, corporate income tax, the GST,

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customs duties and excise taxes. This single business registration number which will allow the department and businesses to have access to a variety of programs and services replaces at least six separate identifiers currently in use.

As indicated in "Building a More Innovative Economy" the government will have reduced significantly within three years the amount of time that small and medium size enterprises spend on federal government operations and federal government information requests in order to help stimulate job creation and a healthy, vigorous economic climate for small business.

A joint public-private sector forum of major information collecting departments and representatives from small and medium size businesses and business associations will be the focal point for ongoing consultations on government initiatives to challenge the need for the information the government currently requires from small and medium size businesses, develop means to eliminate duplication between departments and governments in data collection, and to find ways to collect the remaining information electronically to the fullest extent possible.

It should be clear to all Canadians that the program review has resulted in significant decisions on a broad range of federal government programs and services. These decisions will enable the government to serve Canadians better with renewed purpose.

The initiatives and successes I have outlined today show that the government and public service employees are dedicated to achieving affordable quality services using the most efficient means available.

The people in my riding of Hastings—Frontenac—Lennox and Addington have endorsed the 1995 federal budget. Major Canadian and international corporations have expressed their confidence in our government, our country and in the greatest asset in my riding of Hastings—Frontenac—Lennox and Addington, the confidence in our people. The workforce in my riding deserves the recognition it has received. I wish to take a moment to describe the confidence placed in my constituents.

Celanese Canada has won a \$191 million expansion to its polymers facility in Ernestown township. This happened in the last three weeks. Competition for this contract came from the Carolinas and from Mexico. The manager announced that this international company was very impressed with the talents and dedication of our workforce. Three hundred or four hundred construction jobs will be created.

(2040)

DESTEC Energy has started construction on its new 100 megawatt co-generation plant. This \$180 million project will employ 150 to 200 people during construction.

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Across the road from those two projects, Bombardier, formerly UTDC, has received a \$595 million order for a light transit system for Malaysia. Our Prime Minister gave us his assistance in bringing home this contract from his Asian tour. Four hundred people will be employed from now until 1998 with this single order alone.

Nearby in my hometown of Napanee, Goodyear Canada is undergoing an expansion in the world's most modern tire manufacturing plant. Twenty-seven to thirty million dollars of Goodyear's money is being invested in our community.

These large projects will result in hundreds of direct and spinoff jobs in our communities. Between the companies involved, almost \$1 billion has been committed to Hastings—Frontenac—Lennox and Addington recently. Confidence is the word to remember for Hastings—Frontenac—Lennox and Addington and for all of Canada.

Allow me one more expression of confidence. One-third of all the people in North America live within 550 miles of my riding. It is a great place to make and serve your product. All inquiries are welcome.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I enjoyed the presentation by the member opposite.

I would like to know whether there is any long term goal on the part of this federal government. We have been hearing from this budgetary process that the goal is to reduce the deficit to 3 per cent of GDP. However, we have tried and have not been able to elicit a response from the minister or the Prime Minister on the question of where do we go past that.

In doing the mathematics, I think I used 3 per cent in my projections of increase in productivity in the country. Hence there is a 3 per cent annual increase in GDP, hence an increase of 3 per cent per year in the amount of the deficit which means that perpetually we add to and increase the debt. We are adding up the interest and as the interest adds to it, the principal value of the debt increases. As a result, the interest payment in absolute dollars is higher and higher every year. Using that model, by the year 2011 our debt will have reached \$1 trillion.

Does the member know or has heard any of his colleagues on that side of the House indicate anything more concrete in terms of a long term goal than this very fuzzy 3 per cent, for the time being let us slow down how fast we go into debt, but after that let it increase again?

Mr. McCormick: Mr. Speaker, I have certainly heard many people voice their concerns. It is a real challenge to reduce our deficit and our debt. As our finance minister has said, we are doing it on short term targets.

Canadians are being able to live through this period of time. If we were to follow the Reform Party budget, we certainly would have blood in the streets. People will not stand there and see their necks cut.

This week a newspaper editorial in a major Canadian daily warned the voters in Ontario that if they buy Mike Harris they will get the whole package. When our human resources development standing committee was touring the western Canada provinces, which I love so greatly, in November and December, we had witnesses coming before us with tears in their eyes, especially in Alberta, telling how the Reform type government was making cuts on the backs of the working and the poor people. I am proud to be a Liberal and be part of a government that will cut the deficit and the debt and will do it while allowing people to live.

(2045)

Mr. Robert D. Nault (Kenora—Rainy River, Lib.): Mr. Speaker, I congratulate my colleague for a very good speech, one that relates to the Canadian public the difference between the Liberal Party and the parties opposite.

Many of us on this side believe governments have a role to play and that governments can have a positive impact on the lives of individuals. We do not have to pull back to the point at which everyone is left to their own devices to get back to the lifestyles we had a number of years ago.

Can my colleague explain to us some of the positive aspects of the Asian tour he mentioned relating to what the federal government has done in relation to jobs in his riding? What did the Asian tour do for the job creation initiative he talked about? How much federal money is involved in the process of the Prime Minister and the ministers of the provinces when they went as Team Canada to sell our products to the rest of the world?

Mr. McCormick: Mr. Speaker, I thank my hon. colleague for the question.

I will answer more than the question about the Asian tour. The Asian tour was a great help for all of Canada. We have a foot in the door and Canadians are working. I mentioned the \$595 million order that Bombardier shared in our area.

The full order totalled \$950 million. Bombardier is making money around the world today and is willing to invest in Canada. It is making rapid transit vehicles in Germany and I believe on four continents today. For this very valuable contract it has confidence in the people in our country.

Regarding the DESTEC Energy project I mentioned of \$180 million, the money is coming from Texas and is being invested in our country. Celanese is investing \$191 million of its money here because of its confidence in Canadians.

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, it is a pleasure to speak about the government's main estimates for the 1995-96 budget year.

The main estimates are a reflection of the government's spending priorities for its departments and programs as set out in the budget. This year's estimates lay the details for the government's planned budgetary expenditures totalling \$164.2 billion.

The basic figures contained in these documents show overall program spending has declined by 10.8 per cent, from \$120.9 billion 1994-95 to \$107.9 billion in 1996-97.

[*Translation*]

The positive side of these dramatic spending cuts is that the government has managed for the first time in more than 20 years not only to reach its deficit reduction objective but to exceed it by \$4.4 billion, without raising personal income taxes.

With its second budget, the government will be able to meet the red book objective of reducing the deficit to 3 per cent of GDP by the end of 1996-97.

[*English*]

I will mention some of the concerns communicated to me by my constituents prior to this year's budget and how the government addressed these concerns.

The build up to this year's federal budget saw a variety of letter writing campaigns opposing any new tax measures. I recall a few campaigns opposing any increases in personal income tax, any taxation of employer contributions to group health plans and registered retirement savings plans.

(2050)

As part of the government's prebudget consultation process I wrote to the Minister of Finance requesting that group health benefits and RRSPs not be taxed. I was very pleased the budget contained no increase in personal income taxes and that no taxes were levied on the programs I mentioned.

It is important to understand that a whole new approach to governing was adopted in order to achieve the budgetary goals I referred to earlier. The program review contained in the budget redefines what government does and how its programs are delivered.

[*Translation*]

We are in fact witnessing a redefinition of liberalism. This, however, could make us forget important liberal principles such as giving everyone equal opportunities. Many Canadians feel, like me, that our social programs helped create a more just society.

After what the previous government did to social security, it is no wonder that many Canadians are concerned by any talk of reviewing social policy and public pension plans.

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I am nonetheless convinced that our government can and will modernize the social safety net in order to make programs more efficient and less costly and, more importantly, to preserve access for all Canadians, whether rich or poor.

An important item in the estimates will guarantee the future viability of our social programs. The Canada social transfer will replace the current transfer payments to the provinces and territories under the Canada assistance plan and the established programs financing. Combined with the equalization payments that will continue to increase, the Canada social transfer will provide the provinces with more than \$35 billion in 1996.

[*English*]

During the 1993 election campaign I repeatedly said what we need are more people paying taxes, not people paying more taxes. It has always been evident to me that the best way to preserve our social programs and at the same time reduce our fiscal deficit is by creating jobs. More people working means more people paying taxes and less people drawing costly benefits such as unemployment insurance. In other words, we must continue with our job and growth agenda. We need a balanced approach between spending cuts and job creation. Fiscal restraint must not be an end in and of itself but a facilitator in achieving the overriding goal of job creation.

The government did in many ways adopt this approach. Consider that 433,000 new jobs were created in 1994, many as a result of the national infrastructure program. The unemployment rate is now at 9.4 per cent, the lowest in nearly five years, productivity has surged and our trade surplus is at its highest level ever.

[*Translation*]

It is important to increase the fairness of the tax system. Again, I must congratulate the government on the progress made in that regard through measures such as these: a 12.5 per cent increase in the corporate tax rate; a 1 per cent increase in the corporate surtax; a temporary tax on the capital of deposit-taking institutions, including major chartered banks; the elimination of tax advantages resulting from the rules governing family trusts for the rich; and finally, the limitation on the scientific research and experimental development tax credit for large corporations.

These are major achievements, but much remains to be done. There is still a lot to do to help the unemployed find work and we must take a closer look at tax advantages that benefit a privileged few.

[*English*]

Some would attack the less privileged in our society and blame them for all our economic woes. This certainly seems to be the case in the provincial election in Ontario. However, politicians who take advantage of people's fears and anger over the future viability of our economy are doing a great disservice

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to both the social and economic well-being of our country. This approach is fundamentally dishonest and very destructive.

(2055)

Now that this year's budgetary process is coming to a close I offer my suggestions for the upcoming 1996 prebudget consultation.

There is much speculation in the media about the viability of our public pension plan and the necessity to review this program. I believe any review of the public pension scheme should also include a review of RRSPs. A considerable amount of money is invested in RRSPs. They have without a doubt contributed to better retirement security for thousands of Canadians.

However, the question of fairness has arisen with respect to advantages wealthy Canadians receive from current contribution limits. The last budget set limits of \$13,500 for 1996-97. The limit will be increased by \$1,000 a year to reach \$15,500 in 1999.

Revenue Canada statistics also inform us only 6 per cent of individuals with income of less than \$20,000 a year currently take advantage of RRSPs. On the other hand, individuals making \$100,000 or more a year, who account for only 2 per cent of the population, account for 20 per cent of the total RRSP contributions.

In my opinion our current system of RRSPs acts as a considerable tax shelter for the wealthy because of its high contribution levels. For this reason I would not oppose a reduction in the RRSP contribution limit. This would only affect higher income Canadians because these limits are income contingent. Taxing lottery winnings is also another revenue generating avenue available to the government.

I urge the government to continue applying fairness and compassion in budgetary policies. We must continue to give unemployed Canadians hope and encouragement, not blame them or punish them for their lot.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the member pointed out total spending by the government has gone up and yet program spending has gone down, which means Canadians are squeezed. We are delivering less program money to Canadians while we are transferring more and more money to the lenders. Transfer to lenders has become the biggest transfer program the government has.

The member talked about maintaining the viability of our social programs. I am concerned about the conundrum there. As the government spends less and less money on social programs surely that would destroy the viability of social programs. He seems to be taking some credit in maintaining the viability of social programs.

While the deficit continues and while we are continuing to add to the debt, which means interest costs are continuing to go up and therefore program spending will continue to go down, how does the member intend to maintain the viability of social programs?

Mr. DeVillers: Mr. Speaker, I thank the hon. member for his question. The question of maintaining social programs is very crucial and of much concern to the government. That is what the social program review initiated by the Minister of Human Resources Development was designed to address.

The deficit is being addressed by reducing it to 3 per cent of GDP. That is a minimum interim target. The finance minister stated many times in the House and outside the House that it is just that, a minimum interim target. The ultimate goal is to eliminate the deficit and repay the debt, leaving more money available to put into social programs.

Social programs are in need of review. They were designed several decades ago and have not been brought up to date. There is wide consensus among Canadians that they are in need of a review and an update and it is a question of which approach we will take.

Hon. members across have difficulty 20 months after the 1993 election still accepting that the Liberal platform clearly set out the deficit reduction goal was 3 per cent GDP in three years. That is one of the main reasons we were successful in the election. It is a concept they have difficulty accepting.

(2100)

Mr. Robert D. Nault (Kenora—Rainy River, Lib.): Mr. Speaker, why would he think, as the Reformers would think, that Canadians would believe it when the Reform Party says it could reduce the debt and the deficit all in one fell swoop in a three-year program and at the same time maintain jobs and growth? This is what it is saying to us, that the 400,000 jobs that were created this last year would continue to be in effect at the same time as we would take some \$40 billion from the economy.

I would like the hon. member to explain to us the Reform's rationale if he could and why the Liberal Party does not seem to accept that. Not even 10 per cent of Canadians accept that, as we could tell in the last election campaign.

Mr. DeVillers: Mr. Speaker, I thank my colleague for the question.

The simple answer is I cannot explain it. I certainly do not agree with it. Obviously the electorate in the last election did not agree with it. As I previously pointed out, they rejected that Reform plan of eliminating the deficit within three years. Anyone could understand that could not be done without creating tremendous hardship. As has been stated previously in the House this evening, there would be blood in the streets if any government attempted to put those kinds of cuts onto the population. That is clearly why that plan was rejected by the electorate in 1993.

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Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, on the Canada social transfer, he said they are transferring \$35 billion to the provinces. He forgot to mention that is a reduction of about \$7 billion, if I have my figures right. That is downloading on the provinces.

Maybe that is the reason the Liberals in Ontario's provincial election are into a skid. Maybe it is that and Bills C-68 and C-41. Maybe that is why this Liberal Party got so desperate as to campaign for its provincial brothers and sisters during members' statements before question period, and it does not even claim them as an election expense.

Mr. DeVillers: Mr. Speaker, I certainly am amazed at the interest our hon. colleagues from the Reform Party have taken in the provincial election in Ontario. They do not seem to miss any opportunity to discuss it. I have the impression that there is perhaps, as we have heard in the media, some possibility of a merger with the Tory government. They seem to be very concerned with the fortunes of the Tories in Ontario.

To answer his downloading question, the information I have is that in fact there is the same amount of money, if not more, being transferred to the provinces today as there was prior to this government's taking office.

[*Translation*]

Mr. Jean-Paul Marchand (Québec-Est, BQ): Mr. Speaker, I am pleased to take part in this debate which goes to the very heart of the Canadian policy issue.

There is a proposal to reform the human resources system in Canada. As you know, this is the largest department and the most essential to any political system, for it is or is supposed to be in charge of job creation and training. Social and other programs also come under this department.

This is an extremely important department and talking about reforming such a department is like trying to change the entire Canadian federal system as we know it.

(2105)

[*English*]

If only the peanut gallery in the Reform Party could listen—

The Acting Speaker (Mr. Kilger): I am trying to imagine what it must have been like when this wonderful Chamber sat every evening.

Resuming debate, the hon. member for Quebec Est.

[*Translation*]

Mr. Marchand: Mr. Speaker, the point I was making in such a colourful way is that basically attempting to change the Department of Human Resources Development is tantamount to attempting to change the entire Canadian federal system because this department is at the heart of every federal program, anything that deals with employment, training, social programs. We also know that HRD may well have one of the largest budgets, if not the largest, of any federal department.

That is what prompts me to say that this debate tonight goes to the very heart of the Canadian policy issue. Looking at this reform proposal concerning the Department of Human Resources Development, we can see that the impact of this reform is quite disastrous in every respect. Even from the point of view of political philosophy, this reform makes no sense.

There is an ongoing debate in Canada about the value of decentralizing political powers. I think that this policy or idea is widely held across Canada. At least in Quebec and in parts of English Canada it is regarded as good policy. The Liberal government however would rather adopt a centralizing policy, which is obvious in several bills, including bills from the Department of Human Resources Development. This is a disastrous policy thrust, as we know. I even think that a majority of Liberal members, and you might be one of them, care and will recognize that decentralizing is the key to the future of Canada's political development.

However, this Liberal government and its Prime Minister seem more bent on centralizing, which is disastrous as we can see, particularly when we come from Quebec. This human resources reform is disastrous, both from a political and economical point of view.

Although the government is trying to cut several billion dollars in social programs, a measure which will hurt the poor and the most vulnerable people in our society, it will not really save anything. These cuts are not well thought out; they are not planned; they are not part of a global vision for development. In fact, if this government really cared, if it really had a vision for rebuilding the country, it would have reduced overlapping and duplication. It would have opted for decentralization, instead of centralization.

Once again, the reforms proposed by the Department of Human Resources Development show that, in the future, there will undoubtedly be even more duplication than before. This will not result in savings. Duplication means not only that money is wasted, to the tune of hundreds and hundreds of millions of dollars, but also time, energy and even human lives.

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(2110)

When we really get down to talking about client services and the efficiency of programs managed by the Department of Human Resources Development, we have to conclude more and more that they are not efficient. The department tries to put job creation or training programs in place to enable people to hold jobs. The department, the federal government itself, acknowledges that these training programs are inefficient.

One has to actually be there, hit the streets, the towns and the countryside to really take stock of the current disaster, the mounting frustration people are venting; people are becoming more and more concerned about what is going on because they are under the impression that politicians are not doing their jobs. And how right they are that this government is not doing its job.

And the reforms they are proposing for the Department of Human Resources Development are nothing more than expensive deviations from which no good will come. Who will ultimately pay? Now that the Liberal Party is no longer a Liberal Party in the traditional sense, but much more like a Conservative Party, there is no difference between the current Liberal Party and the Conservative Party that preceded it: their policies are identical. Inertia rules. But who actually pays for this lack of leadership, concern and good policies? The poor, the sick, seniors, students, the unemployed, welfare recipients, all of the classes in society which have no voice. They will be the ones who will have to pay. In fact, they are always the ones who pay for a government's slipshod work.

But these people will not always be ignored. We can say this because they are a majority. A storm is brewing in the country, it is brewing because there are no jobs and no training is available. Therefore, if the patronage and the scandals like Power DirecTv or other shady issues clouding this government do not bring it down, its inertia, lack of vision and the public's dissatisfaction will. Their system is doomed to failure.

The current federal government in Ottawa has no vision. It is doomed to failure. One thing is sure, it is going to crumble under the weight of its own debt and of its shortsightedness. In fact, in Quebec we want to get out of this system because we can do a better job. One does not have to be a genius to realize we can do better than the federal system we have now.

The Department of Human Resources Development, as I said before, illustrates what is wrong with the whole federal system. This department has made presentations and introduced cutbacks, but is misleading in the way it presents its budget. It is hard to pinpoint what they are trying to do. We know the minister is confusing the issue. He would have people believe he is improving the system, but that is not the case. They talk about increasing the number of programs and the amount of money available for training or job creation, although we know there have been drastic cuts in the amounts available.

(2115)

Confusion reigns in this department. As I said before, all you have to do is go down the street, go to the cities and towns and employment centres and you will see what is happening. The department's employees no longer know which side they are on, whether their job is going to disappear, how much money they have for which programs and which programs will be abolished. This is not a department with a clear vision, a sense of purpose. Confusion is spreading because people do not know where they are going.

There is some kind of trickery afoot, but I am afraid they underestimate the public's intelligence. The auditor general has often said that budgets are mainly an exercise in camouflage. It is an attempt to prevent people from finding out exactly how the money is spent. You practically have to be an expert, and even the experts cannot agree.

Cover up and concealment seem to be the order of the day. The Auditor General of Canada singled out the Department of Human Resources Development as a case in point. Confusion is rife, especially in this department. As I said before, the department is at the heart of the federal system that is collapsing under its own weight, through its own inertia and lack of vision.

How the money in the Unemployment Insurance Fund is used is another example of this now you see it, now you don't, attitude. Everyone in Canada or at least a large percentage of Canadians has the impression that the federal government is putting money, their tax money, into the unemployment insurance program to subsidize training programs and other programs provided by employment centres.

However, the federal government, as I said before, is withdrawing from unemployment insurance. The money in the Unemployment Insurance Fund comes out of the wages earned by workers. We all contribute to this fund, but the federal government is contributing less and less. However, the government still gives the impression it contributes, and it uses the money to set up training programs and job creation programs for young people. This is a very economical way to give the impression you are doing something.

Obviously, this is one way to give the impression of doing something, but not necessarily a successful one. The greatest confusion is to be found in the new programs set up in the past 12 months, particularly those announced with the greatest noise—programs for youth, young trainees or the youth service corps.

In my riding, just by talking to people in the street, who have anything to do with these programs at all, you realize that they do not know where to turn anymore. For example, in Québec-Est, 38 projects were submitted in response to the youth service corps program, because people had heard there was lots of

money in it. The youth service corps proposed 36 projects, good projects, and only two were approved.

(2120)

These two projects will go through a whole slew of checks, not only locally, but at the Montreal office and, eventually, at the Ottawa office. It seems they even had to be approved by the minister himself. This is a first. Even the officials are wondering why. This is a sort of politicization. I do not think it is economic, particularly. It is a reflection of the government's desire to centralize, once again, at the very heart of the Department of Human Resources Development. Why this attempt to centralize? It is not economic. It does not even make any sense.

This streamlining the Minister of Human Resources Development is talking about is, obviously, not streamlining. Anyone taking the slightest look at the thing will realize that there is no streamlining; it is confusion.

You just have to talk to the head of the employment centre in your region; he will tell you. He does not know if he will keep his job; he does not know whether the programs he currently administers will be extended. Furthermore, he will admit to you that the existing programs funded by the federal government from the unemployment insurance fund are not working out. There is no guarantee that someone taking training at an employment centre will find work. Oftentimes, even, people taking training at employment centres have less chance of finding a job.

This all makes sense, I suppose, in the mind of certain federalists, but, in my mind, it does not. There is no streamlining, only confusion and waste.

In Quebec we are concerned because we want to create jobs and put people to work. We want to improve our society. We are not asleep. We are not sitting on our power on little green chairs thinking that everything is fine. We know there are more and more poor people, unemployed and people on welfare. There are 808,000 in Quebec, alone. It is a catastrophe. This is a lot of human misery.

It is important, for example, for Quebec to have power in the area of manpower training. The struggle has been going on for a long time, and we consider it very important. The former Quebec minister and current federal Minister of Labour sitting across from me is aware that the Quebec government has fought for full control over manpower training for a long time, even when the Liberals were in power.

Manpower training is central because it lies at the heart of this whole game being played by the Department of Human Resources Development. It is at the heart of all societal problems. The issues are job creation and training. And education is at the heart of any society. That is why Quebec is right to stick to its guns. Not only because it is important but because it is under

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provincial jurisdiction. Education has always been under provincial jurisdiction. The federalists in Ottawa do not understand this. They have never respected provincial jurisdiction. Furthermore, the government has never respected its own constitution. Both training and education have always been under provincial jurisdiction.

(2125)

The federal government is once again using this centralization policy. The fact that the Department of Human Resources Development is increasingly trying to exert control over manpower training provides further concrete evidence of the federal government's intention to centralize powers.

Quebec—not only the Parti Quebecois but also the Liberal Party—has always unanimously expressed the need to repatriate all manpower training powers. All manpower training stakeholders, union members, even the employers' council and the president of the Business Council on National Issues, Thomas d'Aquino, a man of some renown, have argued very strongly in favour of decentralizing manpower training powers throughout the country.

Unfortunately, we still do not have that power, which clearly shows once again the impossibility of reforming the current system because of increased centralization by the federal government. The impossibility of reforming the system is one of the reasons, if not the main reason, why Quebec must achieve sovereignty so that it can take control of its own destiny as soon as possible.

[English]

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, on the hon. member's statement that the federal government is trying to centralize powers in Ottawa even more than past governments, that statement is absolutely correct.

He went on to say that federal governments over past decades have taken over powers which are rightfully provincial powers. The hon. member is 100 per cent correct.

Reform's vision of a new Canada includes a much smaller federal government, with much less power centralized in its hands, and with provincial powers returned to the provinces as they were laid out in the original Constitution. I can understand the hon. member's frustration, which we feel in Alberta, to the continual movement on the part of the federal government, particularly over the last 30 years, to take over powers which are rightfully those of the provinces.

I want to make those comments to the hon. member and to the people of Quebec, acknowledging this is a problem which must be reversed. If that happens, as the Reform Party has laid out in its vision of a new Canada, Quebecers will be happy to be a part of the country. If that does not happen, as it certainly will not

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under this government, Quebecers will want to leave. I can understand that.

Mr. Marchand: Mr. Speaker, if it were possible to decentralize Canada it would be very interesting. I do not believe it is possible to decentralize the federal government because it is part of the federal history to centralize power. That has been the case ever since the second world war. The federal government has taken more and more power. It has assumed more and more of the provincial jurisdiction.

Today the situation is catastrophic in the sense that the federal government has no place being there any more. It is a useless political institution in the broadest terms. It is a wasteful institution.

(2130)

Now its role is basically to maintain itself, to keep itself alive. It is like this absurd institution that suddenly finds itself alive and now will do everything to maintain its life in spite of the fact it is taxing provinces and creating problems all over the country.

We can criticize this system inside and out completely. It is wasteful, it is not economical, it gives no guidance to the country. Its primary goal right today is to do everything to maintain its life. This is what the government is doing. It is trying to maintain the operation of this federal institution in Ottawa in spite of the fact it is a totally useless institution.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, after the last couple of months here, after seeing the corruption across the floor with regard to the patronage we have been talking about in question period over the last few months, and after seeing a lot of really bad legislation like the budget, Bill C-68, Bill C-41, the MP pension reform which really does very little to reform, I understand the member's frustration.

I have to admit the federal government is not working properly but it can be changed. If it could be changed, if the proper powers were returned to the provinces, that would be interesting.

[*Translation*]

Mr. Marchand: Mr. Speaker, let us say that we gained experience in trying to change the present system on several occasions: in 1990, 1992 and even before that. Numerous attempts were made to reform the system, but it is just not reformable, especially as viewed by Quebec.

For example, Western Canada, and Alberta in particular, was cheated of billions of dollars under the Trudeau regime. In fact, it is estimated that the government collected in excess of \$100 billion from Alberta with Trudeau's energy tax. I have seen estimates ranging anywhere from \$60 billion to more than \$100

billion in oil taxes collected from Alberta alone. All that to maintain the federal system based here in Ottawa.

Other provinces had different problems, but in Quebec the main problem comes from way back. For one thing, it comes from the fact that we are French-speaking and have never been recognized in Canada as a different, distinct people, unique in North America. Everyone agrees that it is quite obvious though, but the fact remains that recognition has not been forthcoming in this system. Really, that is crucial for Quebec and the future of its society, because as long as we do not have the powers to develop as a French-speaking nation, as unique among North American nations, we will do all we can to try to gain these powers.

We will never have the necessary political and administrative reforms carried out within Canada. We will certainly not succeed in getting Quebec recognized as a people. We tried on several occasions but learned that it is just plain impossible.

(2135)

The only difference perhaps between the Reform Party and the Bloc Québécois is that we, in the Bloc, have realized that the federal system is not reformable, while our Reform colleagues believe it is still possible to reform this federal system.

Mr. Martin Cauchon (Outremont, Lib.): Mr. Speaker, during the last 30 minutes, I listened with great interest to the hon. member from the official opposition. It is rather strange to see how a parliamentarian protected by the privilege of Parliament can distort the facts in what I would call an almost shameful manner.

The member made several allusions to Houdini in his speech. Let me tell you that Houdini must be spinning in his grave right now.

In any case, I am pleased to address this House on the issue of the government's main estimates. Since taking office, the Liberal Party has met several major challenges. I am proud to point that out because, if you look at the history of our country, you see that each time a major change of direction occurred, it was invariably with the Liberal Party at the helm. We have always been the ones with a vision, the ones paving the way for future generations of Canadians. Indeed, I am proud to stress that fact this evening.

We were elected at an important time in the development of our society. Canadians then put their trust in another Liberal government because they knew that we would rise to the challenge.

Mr. Marchand: They were wrong.

Mr. Chrétien (Frontenac): Look at Ontario.

Mr. Cauchon: We have risen to the challenge so well that you can hear the other side howl and scream, precisely because we are doing such a good job that it hurts them.

It hurts them because Canadians are starting to see the positive results of our policies. It hurts them because the federal government is implementing a true decentralization which the public understands and accepts.

It hurts them because, when they see the government administration make these adjustments, they realize that it is the end of their dream. Once again, we are showing that federalism is not static: it has always been in constant evolution and it will continue to change.

I want to take this opportunity to discuss regional development. Canada is a very large country and we often see disparities within a given region. A responsible federal government must keep control over regional development.

However, the whole regional development policy must also be reviewed, just as we have already reviewed the government machine. Some members opposite say: "Use the simple approach. We have problems with the debt and the deficit, so just make cuts in regional development".

(2140)

Their policy is irresponsible. I have heard members opposite say: Withdraw from the area of regional development. This is yet another policy that, in addition to being unrealistic, fundamentally goes against the opinion and the will of the people.

An hon. member: They are out of touch.

Mr. Cauchon: Ever since this government was formed, we have been repeating that we want to get the government machine back on track in order to lead Canada to economic prosperity, an economic prosperity which will allow us to create jobs and make us competitive, not only on the Canadian scene but also internationally.

Two principles underlie this vision of prosperity and govern all of the changes to regional development policies. The first thing that the government wanted to do, and did in fact do—I again stress for the benefit of the House that the people across the way keep on hollering because hearing the truth hurts, but Mr. Speaker, thank God for the House of Commons, a wonderful democratic forum in which we can express ourselves freely without fear and tell the public the truth—now back to the two principles underlying the reform of the government machine and the reform of regional development policies.

There is the issue of the rationalization of public spending. I think that the Minister of Finance's budget eloquently makes the point that the first steps towards rationalizing spending have

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already been taken. The Minister of Intergovernmental Affairs conducted a major program review which will eventually lead to program cuts, programs which will more effectively target the public, programs which will meet their real needs. This rationalization of spending shows that this government is responsible and can manage the debt and the deficit.

The second underlying principle is the rethinking of the state's role. When they say they are rethinking the state's role, that means that they are going to take a sharp turn. In the past, not only in Canada but throughout the world, we have had governments that were very interventionist. Today, with all the problems with public finances, government has to play a different role, a role business people have asked us to play. The government has to fine tune its decision making to reflect the needs of various sectors, and it must also consider partnerships.

While we are on the subject of regional development policies, perhaps we should mention a splendid tool for regional development that is part of the federal apparatus, and I am referring to the Federal Office of Regional Development for Quebec. If we consider the two principles I just mentioned, the issue of scaling down spending, well I must say the FORDQ has done its share. For instance, its budget will be cut by 70 per cent over three years, which means from \$487.5 million to \$142.9 million in 1997–98. This is a significant reduction, and I think we can say that the FORDQ is doing its share.

(2145)

Well, I think the changes announced quite recently by the Minister of Finance and the Minister responsible for the Federal Office of Regional Development (Quebec) are a clear indication of this desire to make some real changes and rethink the role of government so that we can fine tune our response to the needs of Canadians. In this respect, our first conclusion must be that from now on, regional development will be the job of small business.

Small businesses in Canada create 85 per cent of the jobs. They are a very dynamic tool that should be encouraged in every respect. And the government should be there to act as a partner.

Before going ahead with the restructuring of FORDQ, the minister consulted the business community.

Mr. Chrétien (Frontenac): At \$2,000 per plate.

Mr. Cauchon: If I may, I will try to convey, over the shouts of the official opposition, the messages sent to the minister by members of the business community.

The message from small businesses regarding regional development is clear. They told us: "First, cut government spending; second, stop subsidizing businesses; and third, eliminate overlap; reduce the paper burden and the red tape; and give us the

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strategic information we need to meet the challenges of technological change and globalization of our markets”.

Now that is progressive. That is the new approach to regional development. This is what the Federal Office of Regional Development intends to do. It will work in partnership in order to target promising development sectors. I must point out that the office has already taken action on a number of occasions in Quebec and throughout Canada. We target small and medium high tech business and, when we target high tech in partnership, we are targeting an area of the future. We are targeting an area that will mean the creation of quality, worthwhile and long lasting jobs, which will improve Canada's economy and make us a strong competitor both nationally and internationally. This is basic for small and medium size business.

I was listening to my colleague earlier talking about training. I find it hard to believe today that people can talk about isolating themselves as regards manpower training. In an era of free trade when there is talk of a World Trade Organization, we should be looking to band together to better train our labour force, make it a quality one. This is what Quebecers want. A quality labour force is a dynamic one that puts Canadian business at the peak of competition. As a dynamic labour force, it also attracts investments. This is the plan of the present government and this is what we will continue to do.

We are talking about a dynamic approach attuned to what people want. I was listening to my colleague earlier attacking reforms to social programs by the Department of Human Resources Development. You will permit me to say that I find such comments disgraceful, given that the new direction the Minister of Human Resources Development is taking is fundamental not only for workers, but for Canadian society.

Let us take the example of the human resources investment fund, which will come into effect in April 1996.

(2150)

This fund, which in my opinion is quite a marvel, meets the very needs of the public. During several months, Canadians told us: “We want training programs that are firmly grounded in reality. We want training programs which are much more flexible”. Again, I would point out to the Chair that I am trying to be heard over all the hollering of the Bloc Quebecois members.

Canadians want training programs which are much more flexible and truly in tune with their needs. The Human Resources Investment Fund meets all of their expectations. It really reflects the real situation out there. When I hear the Bloc Quebecois and the Parti Quebecois telling Quebecers that these parties should have control over manpower training so that they can hide what they are doing, I cannot help but think that they are not realistic and are ignoring what is going on at the international level.

We must train our workers in order to become extremely competent. This requires partnerships, team work and co-operation with the private sector, which is exactly what the Human Resources Investment Fund is all about. Earlier, some members said that the Canada social transfer would lead to decentralization. I do not know which way to turn anymore.

When we were considering social reform, the members of the Bloc Quebecois hailed the Canada social transfer as a miracle. They wanted us to decentralize and transfer everything to the provinces. That is what we did in the finance minister's budget. Through the Canada social transfer, we handed a number of programs over to them. Now that this has come to pass, they are trying to distort the truth by saying that the Canada social transfer is tied to the unilateral setting of national standards by the federal government.

I think that we did not read the same document. We live in a country, and I think it is normal to have national standards across the country. During the consultations on social program reform, people in Quebec and throughout Canada also told us that we should indeed have national standards. The people also told us—in Quebec, too—that they did not want these standards to be set unilaterally by the federal government.

The Canada social transfer is a classic example of progressive federalism, of co-operative federalism, of a federalism that does not represent in any way the status quo advocated by members of the official opposition, members of the Bloc Quebecois.

Some hon. members: Hear, hear.

Mr. Cauchon: In conclusion, what is unfortunate about the official opposition—I am trying once again to be heard above the ruckus raised by Bloc members—is that, instead of allowing us to work hand in hand to develop a federation that will reflect the vitality of people in Quebec and throughout Canada, they are trying to ensure that the system will not work. All this, incredibly, just to protect their separatist philosophy instead of serving the public interest.

Our government's goal is to help the people and look after their interests, and we will continue to do so. That is why I am especially proud to support the main estimates.

(2155)

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, the hon. member for Outremont is wrong; I did not utter a word during his presentation, but I will speak now. I wonder on what planet the hon. member lives.

We have 800,000 people on welfare in Quebec today, and there are 1.2 million in Ontario. Quebec sovereignists are certainly not responsible for that; the federal system is. One of the main reasons for this state of affairs is the manpower issue. The very brother of the hon. member for Brome—Missisquoi, a minister in the Johnson government and now the member for

Westmount—Saint-Henri, was among the government members who asked that the issue of manpower be returned to Quebec.

These are not sovereignists, but federalists, people who have realized that, if we want our manpower to be trained adequately, training has to be provided in an acceptable regime. The facts contradict what the hon. member for Outremont said. At present, the public cannot find its way around the 27 federal and 25 provincial programs available.

As for concrete measures, the federal government recently announced that only UI recipients will have access to job search clubs from now on. A fine move to create a single window no doubt. And so logical.

I would like to tell the hon. member for Outremont a thing or two about the real world, through you of course, Mr. Speaker. In our regions, many workers are unskilled and need adequate training. We are talking about regional development. Well, I come from Quebec's eastern region, which could be called the stumbling block of federalism.

The federal government tried all kinds of things in our region, this in addition to Quebec's initiatives. Today, our region has the strongest migration movement. That trend, which started 30 years ago, is the result of your actions.

I want to say a word about the FORDQ. I agree with the member for Outremont: you did turn that office into an empty structure. This is obvious. All the investment budgets targeted for small businesses were cut. Businesses employing only a few people do not need to have access to the international markets. Quite often, they simply need a little help to build a warehouse, etc., but you let them down. One of the reasons is that federal Liberals from Quebec did not speak up. They let the Minister of Industry do his dirty deed, so that Ontario would regain control.

I will conclude with a question on the Human Resources Investment Fund. Instead of creating an artificial fund and using the money contributed by employers and employees to interfere in Quebec's fields of jurisdiction, why did you not reduce the contributions of employers and employees? That way, you would have put the money directly in the industry, in the workplace, instead of spending it on the bureaucracy, and you would have achieved true job creation, instead of making systematic cuts.

The Acting Speaker (Mr. Kilger): I would remind the House that debate is to end at 10.00 p.m.

Mr. Cauchon: Mr. Speaker, I think my colleague is confused at this point. He should call the PQ's 1-800 number so he can understand. The member opposite spoke of a very important and

Supply

very serious matter—that of the unemployed in Quebec, and not only in Quebec, but in Canada as a whole.

Last year, we created 430,000 new jobs. The Minister of Human Resources Development is changing course in response to the wishes of people—be they welfare recipients or receiving some other form of public support—who want access to training without running head on into inflexible programs. This is what we are trying to do with the human resources investment fund.

It is unfortunate, but the truth is that we are working alone at the moment. The federal government is working alone, because the Government of Quebec, instead of working in partnership with the federal government to serve the public interest and develop a labour force in a rapidly changing economy, is talking about separating. It is a shame, and the cost, in the end, will be borne by the people of Quebec.

Some hon. members: Hear, hear.

[English]

The Acting Speaker (Mr. Kilger): It being 10 p.m. it is my duty, pursuant to Standing Order 81, to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply.

The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 244)

YEAS

Members

Alcock	Allmand
Anawak	Anderson
Arseneault	Assadourian
Augustine	Axworthy (Winnipeg South Centre)
Bakopanos	Barnes
Bellemare	Bertrand
Bethel	Bevilacqua
Blondin—Andrew	Bodnar
Bonin	Boudria
Brown (Oakville—Milton)	Brushett
Bryden	Bélair
Bélanger	Calder

Routine Proceedings

Campbell	Cannis	Gilmour	Gouk
Catterall	Cauchon	Grey (Beaver River)	Grubel
Chan	Clancy	Guimond	Hanrahan
Cohen	Collins	Harper (Simcoe Centre)	Harris
Copps	Cowling	Hayes	Hermanson
Crawford	Culbert	Hill (Prince George—Peace River)	Hoepfner
DeVillers	Dhaliwal	Jacob	Kerpan
Discepolo	Dromisky	Lalonde	Landry
Duhamel	Dupuy	Langlois	Laurin
Easter	Eggleton	Lavigne (Beauharnois—Salaberry)	Lebel
English	Fewchuk	Leblanc (Longueuil)	Loubier
Finestone	Finlay	Manning	Marchand
Flis	Fontana	Martin (Esquimalt—Juan de Fuca)	Mayfield
Fry	Gagliano	McClelland (Edmonton Southwest)	McLaughlin
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Galloway	Mercier	Meredith
Gerrard	Godfrey	Mills (Red Deer)	Morrison
Goodale	Graham	Nunez	Paré
Guarnieri	Harb	Penson	Plamondon
Harvard	Hickey	Pomerleau	Ramsay
Hopkins	Hubbard	Riis	Ringma
Ianno	Ifody	Rocheleau	Sauvageau
Irwin	Jackson	Schmidt	Scott (Skeena)
Jordan	Karygiannis	Silye	Solberg
Kirkby	Knutson	Solomon	St-Laurent
Kraft Sloan	Lastewka	Strahl	Taylor
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee	Thompson	Tremblay (Rimouski—Témiscouata)
Loney	MacAulay	Tremblay (Rosemont)	Venne
Maheu	Malhi	White (Fraser Valley West)	Williams—86
Maloney	Manly		
Marleau	Martin (LaSalle—Émard)		
Massé	McCormick		
McKinnon	McLellan (Edmonton Northwest)		
McTeague	McWhinney		
Miffin	Milliken		
Mills (Broadview—Greenwood)	Minna		
Mitchell	Murphy		
Murray	Nault		
O'Brien	O'Reilly		
Pagtakhan	Paradis		
Parrish	Patry		
Peters	Peterson		
Phinney	Pillitteri		
Proud	Reed		
Regan	Rideout		
Ringuette—Maltais	Robillard		
Rock	Rompkey		
Serré	Shepherd		
Sheridan	Simmons		
Skoke	St. Denis		
Steckle	Stewart (Brant)		
Stewart (Northumberland)	Szabo		
Terrana	Thalheimer		
Tobin	Torsney		
Ur	Valeri		
Vanclief	Walker		
Wappel	Whelan		
Zed—137			

PAIRED—MEMBERS

Asselin	Bellehumeur
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Bélisle	Collenette
Dhaliwal	Gaffney
Godin	Grose
Guay	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Lincoln	MacDonald
McGuire	Ménard
Payne	Richardson
Verran	Wells
Young	de Savoye

(2225)

The Speaker: I declare the motion carried.

ROUTINE PROCEEDINGS

[English]

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, in view of the concern about the estimates process and the willingness of all parties recognized in the House to improve the process, I would now seek unanimous consent to move the following motion, in the spirit of co-operation we have been getting and are anticipating later tonight.

I move:

That the Standing Committee on Procedure and House Affairs be instructed to undertake a comprehensive review of the business of supply, with particular

NAYS

Members

Abbott	Ablonczy
Althouse	Bachand
Benoit	Bergeron
Blaikie	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Bridgman
Brien	Brown (Calgary Southeast)
Canuel	Caron
Chrétien (Frontenac)	Crête
Dalphoné—Guiral	Daviault
Debien	de Jong
Deshaies	Dubé
Duceppe	Dumas
Duncan	Epp
Fillion	Frazier
Gagnon (Québec)	Gauthier (Roberval)

Supply

attention to the reform of the estimates, the processes and mechanisms by which the House and its committees may consider and dispose of them; and

That the committee make a report thereon no later than December 1, 1995.

Some hon. members: Hear, hear.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I welcome the motion the government has brought forward. There has been consultation with all parties in the House. Recognition that we may have been sitting here all night without even being able to vote to reduce the estimates brought to the attention of all of us the need to review the standing orders with a view to finding reforms to make this process meaningful so that we can adequately represent Canadians in the whole process of reviewing the expenditures of the government.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, in light of the fact that the New Democrats have expressed concern in the past about the way in which supply is dealt with here, we certainly concur with the motion put forward by the government whip.

In light of the fact that the government whip indicated there was agreement from all recognized parties in the House, we are happy to participate in the process.

The Speaker: Is that agreed?

Some hon. members: Agreed.

(Motion agreed to.)

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY—MAIN ESTIMATES

The House resumed consideration of the business of supply.

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved:

Motion No. 2

That Vote 5, in the amount of \$155,817,000 under Parliament—House of Commons—Program expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to ask, I think you would find unanimous consent to apply the vote just completed to the motion now before the House in the following way: Liberal Party members will vote yea.

Mr. Duceppe: On vote 5, Bloc Quebecois members will also vote yea.

[*English*]

Mr. Silye: Mr. Speaker, the Reform Party members vote no, but we really think the government should reduce this billion dollars by \$9 million.

Mr. Solomon: Mr. Speaker, members of the New Democratic Party present in the House today vote nay.

Mr. MacLellan: Mr. Speaker, I rise on a point of order. I would like my vote to count with the government henceforth this evening.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 245*)

YEAS

Members

Alcock	Allmand
Anawak	Anderson
Arseneault	Assadourian
Augustine	Axworthy (Winnipeg South Centre)
Bachand	Bakopanos
Barnes	Bellemare
Bergeron	Bertrand
Bethel	Bevilacqua
Blondin—Andrew	Bodnar
Bonin	Boudria
Brien	Brown (Oakville—Milton)
Brushett	Bryden
Bélair	Bélanger
Calder	Campbell
Cannis	Canuel
Caron	Catterall
Cauchon	Chan
Chrétien (Frontenac)	Clancy
Cohen	Collins
Copps	Cowling
Crawford	Crête
Culbert	Dalphond—Guiral
Daviault	Debien
Deshais	DeVillers
Dhaliwal	Discepola
Dromisky	Dubé
Duceppe	Duhamel
Dumas	Dupuy
Easter	Eggleton
English	Fewchuk
Fillion	Finestone
Finlay	Flis
Fontana	Fry
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gagnon (Québec)	Galloway
Gauthier (Roberval)	Gerrard
Godfrey	Goodale
Graham	Guarmier
Guimond	Harb
Harvard	Hickey
Hopkins	Hubbard
Ianno	Iftody
Irwin	Jackson
Jacob	Jordan
Karygiannis	Kirkby
Knutson	Kraft Sloan
Lalonde	Landry
Langlois	Lastewka
Laurin	Lavigne (Beauharnois—Salaberry)
Lebel	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Leblanc (Longueuil)	Lee
Loney	Loubier
MacAulay	MacLellan (Cape/Cap-Breton—The Sydneys)
Maheu	Malhi
Maloney	Manley
Marchand	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McKinnon
McLellan (Edmonton Northwest)	McTeague
McWhinney	Mercier
Mifflin	Milliken
Mills (Broadview—Greenwood)	Minna

Supply

Mitchell	Murphy
Murray	Nault
Nunez	O'Brien
O'Reilly	Pagtakhan
Paradis	Parrish
Paré	Patry
Peters	Peterson
Phinney	Pillitteri
Plamondon	Pomerleau
Proud	Reed
Regan	Rideout
Ringuette-Maltais	Robillard
Rocheleau	Rock
Rompkey	Sauvageau
Serré	Shepherd
Sheridan	Simmons
Skoke	St-Laurent
St. Denis	Steckle
Stewart (Brant)	Stewart (Northumberland)
Szabo	Terrana
Thalheimer	Tobin
Torsney	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Ur
Valeri	Vanclief
Venne	Walker
Wappel	Whelan
Zed—177	

NAYS

Members

Abbott	Ablonczy
Althouse	Benoit
Blaikie	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Bridgman
Brown (Calgary Southeast)	de Jong
Duncan	Epp
Frazer	Gilmour
Gouk	Grey (Beaver River)
Grubel	Hanrahan
Harper (Simcoe Centre)	Harris
Hayes	Hermanson
Hill (Prince George—Peace River)	Hoepfner
Kerpan	Manning
Martin (Esquimalt—Juan de Fuca)	Mayfield
McClelland (Edmonton Southwest)	McLaughlin
Meredith	Mills (Red Deer)
Morrison	Penson
Ramsay	Riis
Ringma	Schmidt
Scott (Skeena)	Silye
Solberg	Solomon
Strahl	Taylor
Thompson	White (Fraser Valley West)
Williams—47	

PAIRED—MEMBERS

Asselin	Bellehumeur
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Bélisle	Collenette
Dhaliwal	Gaffney
Godin	Grose
Guay	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Lincoln	MacDonald
McGuire	Ménard
Payne	Richardson
Verran	Wells
Young	de Savoye

The Speaker: I declare the motion carried.

(2235)

Mr. Boudria: Mr. Speaker, I seek unanimous consent that the vote taken on vote 10 of the President of the Treasury Board under Human Resources Development, the first vote we took this evening, be also applied to the following:

Vote 1 of the President of the Treasury Board under Parliament and the Senate;

Vote 1 under the Privy Council, the department;

Vote 1 under National Revenue, the department;

Vote 1 under Human Resources Development, employment and immigration;

Vote 5 under Human Resources Development, employment insurance program;

Vote 25 under Human Resources Development, income security program;

Vote 30 under Human Resources Development, social development and education program;

Vote 1 under Western Economic Diversification;

Vote 1 under Health, the health program;

Vote 5, the President of the Treasury Board under the health program;

Vote 10 under Health, health program;

Vote 20 under Health, Medical Research Council;

Vote 25 under Health, Medical Research Council;

Vote 40 under Canadian Heritage, the Canada Council;

Vote 140 under Canadian Heritage, the Public Service Commission;

Vote 10 under Public Works, real property program;

Vote 35 under Public Works, the Canada Mortgage and Housing Corporation;

Vote 40 under Public Works, the Canada Post Corporation;

Vote 10 under Transport, the department;

Vote 1 under Agriculture, the department;

Vote 5 under Agriculture, the Canadian Grain Commission;

Vote 10 under Agriculture, the department;

Vote 15 under Agriculture, grants and contributions;

Vote 15 under Human Resources Development, labour program;

Vote 20 under Human Resources Development, labour program;

Vote 40 under Human Resources Development, the Canada Labour Relations Board;

Vote 50 under Human Resources Development, the Canadian Centre for Occupational Health;

Vote 1 under Citizenship and Immigration, the department;

Vote 5 under Citizenship and Immigration, the department;

Vote 1 under Foreign Affairs and International Trade, external affairs;

Vote 5 under Foreign Affairs and International Trade, external affairs;

Vote 10 under Foreign Affairs and International Trade, external affairs, grants and contributions;

Vote 1 under Natural Resources, energy, mines and resources program;

Vote 5 under Natural Resources, energy, mines and resources program;

Vote 10 under Natural Resources, energy, mines and resources program;

Vote 25 under the Privy Council, official languages;

Vote 5 under the Atlantic Canada Opportunities Agency;

Vote 1 under the Treasury Board;

Vote 5 under the Treasury Board;

Vote 45 under Finance, FORD-Q;

Vote 50 under Finance;

Vote 5 under Western Economic Diversification, program;

Vote 10 under Environment;

Vote 5 under the Privy Council;

Vote 35 under the Privy Council;

Vote 5 under Finance.

(2240)

The Speaker: Is that agreed?

Some hon. members: Agreed.

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved:

Motion No. 3

That Vote 1, in the amount of \$26,492,000 under Parliament—Senate—Program expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 246)

YEAS

Members

Alcock
Anawak
Arseneault

Allmand
Anderson
Assadourian

Augustine
Bakopanos
Bellemare
Bethel
Blondin—Andrew
Bonin
Brown (Oakville—Milton)
Bryden
Belanger
Campbell
Catterall
Chan
Cohen
Copps
Crawford
DeVillers
Discepolo
Duhamel
Easter
English
Finestone
Flis
Fry
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Goodale
Guarnieri
Harvard
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manley
Martin (LaSalle—Émard)
McCormick
McLellan (Edmonton Northwest)
McWhinney
Milliken
Minna
Murphy
Nault
O'Reilly
Paradis
Patry
Peterson
Pillitteri
Reed
Rideout
Robillard
Rompkey
Shepherd
Simmons
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Torsney
Valeri
Walker
Whelan

Supply

Axworthy (Winnipeg South Centre)
Barnes
Bertrand
Bevilacqua
Bodnar
Boudria
Brushett
Bélair
Calder
Cannis
Cauchon
Clancy
Collins
Cowling
Culbert
Dhaliwal
Dromisky
Dupuy
Eggleton
Fewchuk
Finlay
Fontana
Gagliano
Galloway
Godfrey
Graham
Harb
Hickey
Hubbard
Iftody
Jackson
Karygiannis
Knutson
Lastewka
Lee
MacAulay
Maheu
Maloney
Marleau
Massé
McKinnon
McTeague
Miffiin
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Brien
Pagtakhan
Parrish
Peters
Phinney
Proud
Regan
Ringuette—Maltais
Rock
Serré
Sheridan
Skoke
Steckle
Stewart (Northumberland)
Terrana
Tobin
Ur
Vanclief
Wappel
Zed—138

NAYS

Members

Ablonczy
Bachand
Bergeron
Breitkreuz (Yellowhead)

Supply

Breitkreuz (Yorkton—Melville)	Bridgman
Brien	Brown (Calgary Southeast)
Canuel	Caron
Chrétien (Frontenac)	Crête
Dalphond—Guiral	Daviault
Debien	de Jong
Deshaies	Dubé
Duceppe	Dumas
Duncan	Epp
Fillion	Frazier
Gagnon (Québec)	Gauthier (Roberval)
Gilmour	Gouk
Grey (Beaver River)	Grubel
Guimond	Hanrahan
Harper (Simcoe Centre)	Harris
Hayes	Hermanson
Hill (Prince George—Peace River)	Hoepfner
Jacob	Kerpan
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Loubier
Manning	Marchand
Martin (Esquimalt—Juan de Fuca)	Mayfield
McClelland (Edmonton Southwest)	McLaughlin
Mercier	Meredith
Mills (Red Deer)	Morrison
Nunez	Paré
Penson	Plamondon
Pomerleau	Ramsay
Riis	Ringma
Rocheleau	Sauvageau
Schmidt	Scott (Skeena)
Silye	Solberg
Solomon	St-Laurent
Strahl	Taylor
Thompson	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Venne
White (Fraser Valley West)	Williams—86

PAIRED—MEMBERS

Asselin	Bellehumeur
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Bélisle	Collenette
Dhaliwal	Gaffney
Godin	Grose
Guay	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Lincoln	MacDonald
McGuire	Ménard
Payne	Richardson
Verran	Wells
Young	de Savoye

The Speaker: I declare the motion carried.

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved:

Motion No. 4

That Vote 1, in the amount of \$70,748,000 under Privy Council—Department—Program expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 5

That Vote 1, in the amount of \$1,779,862,000 under National Revenue—Department—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 6

That Vote 1, in the amount of \$62,763,000 under Human Resources Development—Employment and Immigration—Corporate Services Program—Program expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 7

That Vote 5, in the amount of \$194,947,000 under Human Resources Development—Employment and Immigration—Employment and Insurance Program—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 8

That Vote 25, in the amount of \$110,710,000 under Human Resources Development—Employment and Immigration—Income Security Program—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 9

That Vote 30, in the amount of \$38,976,000 under Human Resources Development—Employment and Immigration—Social Development and Education Program—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 10

That Vote 1, in the amount of \$30,058,000 under Western Economic Diversification—Department—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 11

That Vote 1, in the amount of \$986,179,000 under Health—National Health and Welfare—Health Program—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 12

That Vote 5, in the amount of \$59,279,000 under Health—National Health and Welfare—Health Program—Capital expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 13

That Vote 10, in the amount of \$523,327,000 under Health—National Health and Welfare—Health Program—Grants and contributions, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 14

That Vote 20, in the amount of \$7,367,000 under Health—Medical Research Council—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 15

That Vote 25, in the amount of \$242,182,000 under Health—Medical Research Council—Grants, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 16

That Vote 40, in the amount of \$95,882,000 under Canadian Heritage—Canada Council—Payments to the Canada Council, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 17

That Vote 140, in the amount of \$110,961,000 under Canadian Heritage—Public Service Commission—Program expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Supply

Motion No. 18

That Vote 10, in the amount of \$966,853,000 under Public Works and Government Services—Public Works and Supply and Services—Real Property Program—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 19

That Vote 35, in the amount of \$2,025,649,000 under Public Works and Government Services—Canada Mortgage and Housing Corporation—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 20

That Vote 40, in the amount of \$14,000,000 under Public Works and Government Services—Canada Post Corporation—Payments to the Canada Post Corporation for special purposes, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 21

That Vote 10, in the amount of \$329,139,000 under Transport—Department—Grants and contributions, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 23

NONP21

That Vote 1, in the amount of \$569,216,000 under Agriculture and Agri-Food—Department—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 24

That Vote 5, in the amount of \$41,694,000 under Agriculture and Agri-Food—Department—Canadian Grain Commission—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 25

That Vote 10, in the amount of \$103,731,000 under Agriculture and Agri-Food—Department—Capital expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 26

That Vote 15, in the amount of \$364,714,000 under Agriculture and Agri-Food—Department—Grants and contributions, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 27

That Vote 15, in the amount of \$44,135,000 under Human Resources Development—Employment and Immigration—Labour Program—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 28

That Vote 20, in the amount of \$7,429,000 under Human Resources Development—Employment and Immigration—Labour Program—Grants and contributions, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 29

That Vote 40, in the amount of \$8,287,000 under Human Resources Development—Canada Labour Relations Board—Program expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 31

That Vote 50, in the amount of \$2,026,000 under Human Resources Development—Canadian Centre for Occupational Health and Safety—Program expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 32

That Vote 1, in the amount of \$286,173,000 under Citizenship and Immigration—Department—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 33

That Vote 5, in the amount of \$24,834,000 under Citizenship and Immigration—Department—Capital expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 35

That Vote 1, in the amount of \$799,047,000 under Foreign Affairs and International Trade—External Affairs—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 36

That Vote 5, in the amount of \$90,725,000 under FOREIGN Affairs and International Trade—External Affairs—Capital expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 37

That Vote 10, in the amount of \$354,594,600 under Foreign Affairs and International Trade—External Affairs—Grants and contributions, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 38

That Vote 1, in the amount of \$340,973,000 under Natural Resources—Energy, Mines and Resources and Forestry—Energy, Mines and Resources Program—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 39

That Vote 5, in the amount of \$48,835,000 under Natural Resources—Energy, Mines and Resources and Forestry—Energy, Mines and Resources Program—Capital expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 40

That Vote 10, in the amount of \$200,332,100 under Natural Resources—Energy, Mines and Resources and Forestry—Energy, Mines and Resources Program—Grants and contributions, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 41

That Vote 25, in the amount of \$10,143,000 under Privy Council—Commissioner of Official Languages—Program expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 42

That Vote 5, in the amount of \$313,261,000 under Atlantic Canada Opportunities Agency—Department—Grants and contributions, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Supply

Motion No. 43

That Vote 1, in the amount of \$75,190,000 under Treasury Board—Secretariat—Central Administration of the Public Service Program—Program expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 44

That Vote 5, in the amount of \$450,000,000 under Treasury Board—Secretariat—Government Contingencies and Centrally Financed Programs—Government Contingencies, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 46

That Vote 45, in the amount of \$23,419,000 under FINANCE—Federal Office of Regional Development—Quebec—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 47

That Vote 50, in the amount of \$397,987,435 under FINANCE—Federal Office of Regional Development—Quebec—Grants and contributions, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 48

That Vote 5, in the amount of \$435,876,000 under Western Economic Diversification—Department—Grants and contributions, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 49

That Vote 10, in the amount of \$46,508,100 under Environment—Department—Grants and contributions, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 50

That Vote 5, in the amount of \$9,049,000 under Privy Council—Canadian Centre for Management Development—Program expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 52

That Vote 35, in the amount of \$5,473,000 under Privy Council—Public Service Staff Relations Board—Program expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 53

That Vote 5, in the amount of \$820,000,000 under Finance—Department—Financial and Economic Policies Program—Grants and contributions, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

[*Editor's Note: See list under Division No. 246.*]

The Speaker: I declare the motions carried.

(Motions Nos. 4 to 21, 23 to 29, 31 to 33, 35 to 44, 46 to 50, 52 and 53 agreed to.)

Mr. Boudria: Mr. Speaker, I ask for unanimous consent that the vote taken on vote 5 under Parliament—House of Commons, in other words the second vote we took this evening, be applied to the following:

Vote 35 under Transport—Department—Payments to the Laurentian Pilotage Authority;

Vote 45 under Human Resources Development—Canadian Artists;

Vote 10 under Citizenship and Immigration—Department;

Vote 10 under the President of the Treasury Board—Treasury Board;

Vote 10 under Privy Council;

Vote 1 under Indian Affairs and Northern Development;

Vote 5 under Indian Affairs and Northern Development—Inuit Affairs Program;

Vote 10 under Indian Affairs and Northern Development;

Vote 15 under Indian Affairs and Northern Development;

Vote 20 under Indian Affairs and Northern Development;

Vote 30 under Indian Affairs and Northern Development.

The Speaker: Is it agreed?

Mr. Duceppe: Agreed.

Mr. Silye: Mr. Speaker, the Reform Party agrees with everything the government whip has said to date. However, I further ask if he would not want to apply the same vote to L30.

The Speaker: Is it agreed?

Some hon. members: Agreed.

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved:

Motion No. 22

That Vote 35, in the amount of \$4,340,000 under Transport—Department—Payments to the Laurentian Pilotage Authority, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 30

That Vote 45, in the amount of \$1,580,000 under Human Resources Development—Canadian Artists and Producers Professional Relations Tribunal—Program expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 34

That Vote 10, in the amount of \$256,335,000 under Citizenship and Immigration—Department—Grants and contributions, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 45

That Vote 10, in the amount of \$1,369,000 under Treasury Board—Secretariat—Government Contingencies and Centrally Financed Programs—Reprography, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 51

That Vote 10, in the amount of \$2,939,000 under Privy Council—Canadian Intergovernmental Conference Secretariat—Program expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 54

That Vote 1, in the amount of \$39,128,000 under Indian Affairs and Northern Development—Department—Administration Program—Program expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 55

That Vote 5, in the amount of \$197,331,000 under Indian Affairs and Northern Development—Department—Indian and Inuit Affairs Program—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 56

That Vote 10, in the amount of \$5,343,000 under Indian Affairs and Northern Development—Department—Indian and Inuit Affairs Program—Capital expenditures, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 57

That Vote 15, in the amount of \$3,528,728,000 under Indian Affairs and Northern Development—Department—Indian and Inuit Affairs Program—Grants and contributions, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 58

That Vote L20, in the amount of \$25,226,000 under Indian Affairs and Northern Development—Department—Indian and Inuit Affairs Program—Loans to native claimants, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

Motion No. 59

That Vote L30, in the amount of \$19,300,000 under Indian Affairs and Northern Development—Department—Indian and Inuit Affairs Program—Loans to First Nations in British Columbia for the purpose of supporting their participation in the British Columbia Treaty Commission process, in the Main Estimates for the fiscal year ending March 31, 1996 (less the amount voted in Interim Supply), be concurred in.

[Editor's Note: See list under Division No. 245.]

The Speaker: I declare the motions carried.

(Motions Nos. 22, 30, 34, 45, 51, 54, 55, 56, 57, 58 and 59 agreed to)

CONCURRENCE IN MAIN ESTIMATES

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved:

Supply

That the main estimates for the fiscal year ending March 31, 1996, except any vote disposed of earlier today and less the amounts voted in interim supply, be concurred in.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

[Translation]

Mr. Boudria: Mr. Speaker, if you were to ask, I think you would find unanimous consent to apply the vote on vote 10, under Department of Human Resources Development, in other words, the first vote taken earlier tonight, to the motion now before the House.

[English]

The Speaker: Is it agreed?

Some hon. members: Agreed.

Mr. Harper (Calgary West): Mr. Speaker, I also give my consent, provided my name is added to the list of those in opposition to the motion.

The Speaker: Is it agreed?

Some hon. members: Agreed.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 247)

YEAS

Members

Alcock
Anawak
Arseneault
Augustine
Bakopanos
Bellemare
Bethel

Allmand
Anderson
Assadourian
Axworthy (Winnipeg South Centre)
Barnes
Bertrand
Bevilacqua

Supply

Blondin—Andrew	Bodnar
Bonin	Boudria
Brown (Oakville—Milton)	Brushett
Bryden	Bélair
Bélanger	Calder
Campbell	Cannis
Catterall	Cauchon
Chan	Clancy
Cohen	Collins
Copps	Cowling
Crawford	Culbert
De Villers	Dhaliwal
Discepola	Dromisky
Duhamel	Dupuy
Easter	Eggleton
English	Fewchuk
Finestone	Finlay
Fris	Fontana
Fry	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Galloway
Gerrard	Godfrey
Goodale	Graham
Guarnieri	Harb
Harvard	Hickey
Hopkins	Hubbard
Ianno	Iftody
Irwin	Jackson
Jordan	Karygiannis
Kirkby	Knutson
Kraft Sloan	Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
Loney	MacAulay
MacLellan (Cape/Cap-Breton—The Sydneys)	Maheu
Malhi	Maloney
Manley	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McKinnon
McLellan (Edmonton Northwest)	McTeague
McWhinney	Mifflin
Milliken	Mills (Broadview—Greenwood)
Minna	Mitchell
Murphy	Murray
Nault	O'Brien
O'Reilly	Pagtakhan
Paradis	Parrish
Patry	Peters
Peterson	Phinney
Pillitteri	Proud
Reed	Regan
Rideout	Ringuette—Maltais
Robillard	Rock
Rompkey	Serré
Shepherd	Sheridan
Simmons	Skoke
St. Denis	Steckle
Stewart (Brant)	Stewart (Northumberland)
Szabo	Terrana
Thalheimer	Tobin
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Members

Abbott	Ablonczy
Althouse	Bachand
Benoit	Bergeron
Blaikie	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Bridgman
Brien	Brown (Calgary Southeast)
Canuel	Caron
Chrétien (Frontenac)	Crête
Dalphond—Guiral	Daviault
Debien	de Jong
Deshaies	Dubé
Duceppe	Dumas

Duncan	Epp
Fillion	Frazier
Gagnon (Québec)	Gauthier (Roberval)
Gilmour	Gouk
Grey (Beaver River)	Grubel
Guimond	Hanrahan
Harper (Calgary West)	Harper (Simcoe Centre)
Harris	Hayes
Hermanson	Hill (Prince George—Peace River)
Hoepfner	Jacob
Kerpan	Lalonde
Landry	Langlois
Laurin	Lavigne (Beauharnois—Salaberry)
Lebel	Leblanc (Longueuil)
Loubier	Manning
Marchand	Martin (Esquimalt—Juan de Fuca)
Mayfield	McClelland (Edmonton Southwest)
McLaughlin	Mercier
Meredith	Mills (Red Deer)
Morrison	Nunez
Paré	Penson
Plamondon	Pomerleau
Ramsay	Riis
Ringma	Rocheleau
Sauvageau	Schmidt
Scott (Skeena)	Silye
Solberg	Solomon
St-Laurent	Strahl
Taylor	Thompson
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)
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Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Bélisle	Collenette
Dhaliwal	Gaffney
Godin	Grose
Guay	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Lincoln	MacDonald
McGuire	Ménard
Payne	Richardson
Verran	Wells
Young	de Savoye

(2245)

The Speaker: I declare the motion carried.

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved that Bill C-97, an act for granting to Her Majesty certain sums of money for the Public Service of Canada for the financial year ending March 31, 1996, be read the first time.

(Motion deemed adopted and bill read the first time.)

Mr. Eggleton moved that the bill be read the second time and referred to committee of the whole.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.**Some hon. members:** No.

Supply

The Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

[*Translation*]

Mr. Boudria: Mr. Speaker, if you seek it, I believe you will again find there is unanimous consent to apply the results of the vote on the first motion this evening, that is on vote 10 under Department of Human Resources Development, to the motion now before the House. I move that the vote taken on the motion I indicated earlier be now applied to the motion before this House.

The Speaker: Is it agreed?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 247*]

The Speaker: Pursuant to Standing Order 100, I do now leave the chair for the House to go into committee of the whole.

(Motion agreed to, bill read the second time and the House went in committee thereon, Mr. Kilger in the chair).

The Assistant Deputy Chairman: Order. The House is now in committee of the whole to consider Bill C-97, an act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1996.

Shall Clause 2 carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clause 2 agreed to.)

(2250)

Mr. Gauthier (Roberval): Mr. Speaker, could the President of the Treasury Board please confirm that this bill is the same in every respect as those passed in previous years?

[*English*]

Mr. Eggleton: Mr. Chairman, it is my pleasure to inform the House that the form of the bill is the same as that passed in previous years.

[*Translation*]

The Assistant Deputy Chairman: Shall Clause 3 carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clause 3 agreed to.)

The Assistant Deputy Chairman: Shall Clause 4 carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clause 4 agreed to.)

[*English*]

The Assistant Deputy Chairman: Shall clause 5 carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clause 5 agreed to.)

The Assistant Deputy Chairman: Shall clause 6 carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clause 6 agreed to.)

The Assistant Deputy Chairman: Shall the schedule carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Schedule agreed to.)

The Assistant Deputy Chairman: Shall clause 1 carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clause 1 agreed to.)

The Assistant Deputy Chairman: Shall the preamble carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Preamble agreed to.)

The Assistant Deputy Chairman: Shall the title carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Title agreed to.)

(Bill reported.)

Mr. Eggleton moved that the bill be concurred in.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

Supply

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent that the vote taken at second reading also apply to concurrence of the bill.

The Speaker: Is that agreed?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 247.*]

(Motion agreed to.)

Mr. Eggleton moved that the bill be read the third time and passed.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent that the result taken at second reading of the appropriation act now apply to third reading.

While I am on my feet I want to indicate to all of my colleagues, particularly the whips of the other parties, my thanks for their co-operation. Through the efforts of everyone tonight notwithstanding our differences we were able to take some ten hours of voting and accelerate it to one hour.

I want to indicate to all of my colleagues our appreciation for their excellent work; we can differ and yet we can work together.

Mr. Silye: Mr. Speaker, I would also like to add some words to what the government whip said.

I thank him for his appreciation and his co-operation and his intelligence in listening to our advice on how to deal with the estimates next year.

[*Editor's Note: See list under Division No. 247.*]

The Speaker: I declare the motion carried.

(Bill read the third time and passed.)

The Speaker: The government whip and the Reform whip both had words to say. May I, as your Speaker, say well done. Thank you.

It being 11 p.m., the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 10.56 p.m.)

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GOVERNMENT ORDERS

Supply

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Appendix