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(HANSARD)

Monday, April 22, 1996

Speaker: The Honourable Gilbert Parent

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CORRIGENDUM

On page 1710 of Hansard, the name Mr. Gordon Kirkby (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.) should replace both occurrences of the name of Hon. David Dingwall (Minister of Health, Lib.)

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HOUSE OF COMMONS

Monday, April 22, 1996

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*Translation*]

QUÉBEC-TÉLÉPHONE

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ)
moved:

That, in the opinion of this House, the government should amend its Direction to the CRTC (Eligible Canadian Corporations) in order to authorize the CRTC to grant Québec-Téléphone a broadcasting license under the Broadcasting Act, so as to permit competition in distributing broadcasting signals in the territory served by Québec-Téléphone.

She said: Mr. Speaker, I am proud to rise today in this House to debate a motion I tabled with respect to Québec-Téléphone, whose head office is located in the city of Rimouski, regional capital of the Lower St. Lawrence administrative region in Quebec.

Motion M-102 reads as follows:

That, in the opinion of this House, the government should amend its Direction to the CRTC (Eligible Canadian Corporations) in order to authorize the CRTC to grant Québec-Téléphone a broadcasting license under the Broadcasting Act, so as to permit competition in distributing broadcasting signals in the territory served by Québec-Téléphone.

For the benefit of our listeners, I should explain that the government's direction to the CRTC on eligible Canadian corporations allows the CRTC to set the requirements for recognizing a company as Canadian.

Pursuant to Standing Order 86(3), this motion was formally seconded by four of my colleagues when it was moved at the beginning of this second session: two from the Bloc Québécois, the hon. member for Portneuf and the one for Charlevoix, the independent member for Beauce, and the NDP member for Burnaby—Kingsway, a riding in British Columbia.

I think it is important to understand what led to the tabling of this motion. First of all, the CRTC and the advisory council on the information highway recommended that the Minister of Canadian

Heritage and the Minister of Industry maintain Canadian ownership requirements for broadcasting businesses and that the grandfather protection already enjoyed by Québec-Téléphone under the Telecommunications Act not be granted to it in this sector, thus preventing Québec-Téléphone from entering the world of convergence and competition.

Second, Québec-Téléphone then decided to step in to defend its rights and to do everything it could to survive as a corporation, which led to two concrete actions. It started by lobbying to have its case heard. The company had to define, present and clearly explain its situation so that government officials could seek and find a solution without compromising Canada's cultural sovereignty.

It also had to set up a survival committee composed of managers and unionized employees to promote public awareness of the company's future prospects: either to stagnate and perhaps go into decline or disappear as an autonomous entity, or else to prosper by entering the world of convergence in order to obtain a broadcasting license.

• (1105)

Third, once these decisions had been made, they then had to be implemented. The committee for the survival of Québec-Téléphone circulated a petition, which was signed by 94,253 people residing on the territory served by Québec-Telephone, a territory stretching from Rimouski to Gaspé, over to the Lower North Shore, from Baie-Comeau to Lourdes-de-Blanc-Sablon, to Montmagny, the Beauce region and finally Donnacona.

This petition, most of which has been tabled in this House, urged the government to grant Québec-Téléphone an extension of the grandfather clause whereby it could be issued a broadcasting licence by the CRTC.

In addition, of course, the senior managers of the company lobbied their member of Parliament and a number of government members, as is normal and necessary, to state their concerns, so that the whole situation would be clear and that an appropriate solution could be devised that would satisfy all those concerned.

It is as part of this effort that I tabled a motion before this House, to make the whole issue transparent. There is a solution that would allow Québec-Telephone to take its place in the field of convergence and to be competitive. But it is a political solution; therefore,

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the fact that the matter is raised in political terms should not come as a surprise.

Based to a large extent on a brief submitted by Québec-Téléphone, I would now like to give a brief historical outline of this company, which is part of the everyday lives of many Quebecers and was the largest telecommunications carrier under Quebec jurisdiction until the Supreme Court of Canada decided otherwise in its April 26, 1994 ruling.

The origin of the Québec-Téléphone company we know today dates back to 1898. This was the year when Dr. Ferdinand Demers founded the Métis telephone company. But it was not until July 7, 1927 that the company was officially incorporated, under the name of Corporation de téléphone de valeurs d'utilités publiques de Québec. A vigorous company from the beginning, it eventually integrated most of the province's telephone networks.

Québec-Téléphone's true founder was the Hon. Jules A. Brillant, who bought the Compagnie de téléphone nationale in 1927. Twenty years later, the company received supplementary letters patent and became known as the Corporation de téléphone de Québec. On February 10, 1955, through a special act, Quebec's Parliament gave the company the power to expropriate, along with the name Québec-Téléphone.

The company then had to modernize its operations and look for considerable capital input, which was indispensable if it was to develop its communications infrastructure. In 1966, the Brillant family sold its Québec-Téléphone shares and, on July 21, the Anglo-Canadian Telephone Company, a subsidiary of GTE Corporation—General Telephone and Electronics—, whose head office is located in Connecticut, became controlling shareholder of Québec-Téléphone with 50.4 per cent of the shares.

It is interesting to note that, in spite of this association with an American multinational, the company presidents, namely Messrs. Bénéteau, Sirois and Laroche, have always been from the region and have worked their way up within the company.

Mr. Bénéteau was president from 1967 to 1974. During that period, the company's growth was characterized by technological excellence and emphasis on network automation, while also giving priority to the development of telephone services in the middle and lower North Shore regions. The construction program to provide the north shore of the St. Lawrence with communications infrastructures was very ambitious, but the company was convinced that it would prove a powerful development tool for these regions, which were not industrialized, as yet.

By the end of 1968, the 2,085 miles of Québec-Téléphone's microwave network made it the largest one in Quebec while also ensuring communications with western Labrador and the island of Newfoundland.

On September 1, 1974, Raymond Sirois took over from Mr. Bénéteau and a true era of change started for Québec-Téléphone.

The company was always at the forefront of change. On October 14, 1975, it started a convergence experiment, bought the infrastructure of Cablovision Bas-Saint-Laurent Ltée, and pledged to serve subscribers from Matane and the Matapédia Valley. In Rimouski, its suburbs, and Mont-Joli, Québec-Téléphone worked with Câblodistribution de l'Est. To comply with a Supreme Court ruling, it was forced to stop its involvement with cable television infrastructures.

• (1110)

Rapid changes in telecommunications did not prevent the company from quickly adapting to an increasingly competitive environment. As early as 1981, the company started digitizing its telephone system by using fibre optics in the long distance system.

Québec-Téléphone was the first company in Canada to offer all its clients private lines in 1991, and touch tone lines in 1993. In that year, the company also finished converting its switching and long distance transmission facilities to fibre optics, thus taking the lead in electronic highway development.

On February 1, 1992, Gilles Laroche became president of the company, and his arrival signalled the beginning of the age of partnerships. The company joined the Stentor network, thus becoming a Telesat shareholder. By adding a satellite component to its services, Québec-Téléphone could contemplate efficient and economical solutions to serving remote and not very accessible areas in its wide territory.

Québec-Téléphone must continue to work to ensure its clients have equal access to services at a reasonable cost. Thus, in September 1995, through a subsidiary, the company introduced the Internet under its GLOBE TROTTER trademark.

In summary, to conclude this historical overview, I would like to quote at length from the brief prepared by Québec-Téléphone: "The history of Québec-Téléphone is simply and above all the history of the builders and developers of a region which is arid in appearance but rich in a commitment and a will to succeed collectively in being and remaining a company whose heart beats to the rhythm of the life of the people representing it and pushing it to achieve excellency".

Let us now briefly turn to the operating environment of Québec-Téléphone. This company serves a 272,000 square kilometre territory, which forms 40 per cent of Quebec's populated area. This territory is spread over three distinct administrative regions: Quebec, the Lower St. Lawrence and the North Shore. Within the territory assigned to Québec-Téléphone, the company serves a

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total of 309 municipalities; 300 of them have a population of less than 10,000, and 168 one of less than 1,000. Only one, Rimouski, has a population of more than 35,000. On the whole, 54 per cent of the population served by Québec-Téléphone can be considered rural.

According to the 1991 census, Québec-Téléphone provides its telecommunications services to 550,400 people. Expressed as a number of inhabitants per square kilometre, this translates as a population density of 2.2 people per square kilometre. This population, living in a vast but sparsely populated area, is characterized, in demographic terms, by evolution, aging and particular needs.

Indeed, between 1981 and 1991, the number of households increases as much in the territory served by Québec-Téléphone as in Quebec and Canada, the increase being 1.8 per cent compared to 2.2 per cent for Quebec and Canada respectively. The population served by Québec-Téléphone is aging more rapidly, because the young are drained toward big cities outside the territory served by this company. Finally, it is impossible to ignore certain general needs of this population, such as maintaining its living standard, improving the quality and efficiency of public services, maintaining vital relations with big cities, and improving the transportation system to guarantee a better access. In short, this population wants to break free from the isolation that comes with living in remote areas.

Despite the context it has to cope with, Québec-Téléphone has, through its presence and involvement in the regions, a great regional economic impact. First of all, it is the most important private sector employer in Rimouski, and over half its 1,700 employees live there. The total payroll of Québec-Téléphone employees living in Rimouski was over \$48 million, and that of all employees of that company was almost \$75 million, in 1995.

• (1115)

Figures for 1993 show that Québec-Téléphone bought \$21,294,565 in goods in the territory it serves, and \$64,780,435 in Canada. The company purchased 92 per cent of all the goods it bought in Canada.

Québec-Téléphone is well established, and it contributes to the social and cultural development in its region. It also contributes to the quality of life by supporting many community services. Its involvement and sponsoring activities are mainly in health, education, arts, culture, and outdoor recreation. I could not possibly give the complete list of activities Québec-Téléphone is involved in, but here are a few examples.

In the area of health, it contributed \$350,000 to the Association du cancer de l'est du Québec towards an experiment with a chip card to allow consultations and updating of medical records.

In the area of education, it has sponsored for five years the chair of optical telecommunications at Laval University. A first agreement for \$600,000 was signed in 1988, and then renewed and increased to \$1 million in 1993.

In the arts and culture area, financing of an international organ and harpsichord international workshop; financing of the publication of books on the history of the Lower St. Lawrence and the South Shore; for the last 26 years, publication on the front cover of the phone directory of a work of art by a Quebec painter.

Québec-Téléphone is also getting involved in the multimedia sector, with distance learning, distance diagnosis, distance justice, the Internet, and broad band frequency communications services.

At this point in my speech, I would like to quote again from the brief submitted by Québec-Téléphone: "These latter services demonstrate the capacity of our company to provide, at the same time as other companies, if not before, advanced services to meet the real concerns and needs of the people and the businesses we serve. Québec-Téléphone expects a very bright future if it is given the opportunity to acquire a broadcasting license. As the company has done in other areas, it will take this new responsibility seriously. It will strive to set up a multipurpose network for all of its customers. It will remain attuned to the daily and more general needs of the people in order to provide them with a standard of living comparable to the technological development of the larger urban areas".

The brief continues: "Should Québec-Téléphone's request for a broadcasting license be turned down, it will mean that these advanced services will not be available over a good part of the territory it serves—Québec-Téléphone has a good knowledge of the people and the companies it serves, especially of their needs. Throughout its corporate history, it has shared many co-operative projects and experiences with its customers—and has proven its sense of responsibility, its entrepreneurship and its progressive vision as a Canadian company. If Québec-Téléphone is prevented from getting a broadcasting license, not only will the company be denied a privilege that could have granted by the lawmakers, but a majority of the people living on the territory it serves will have to do without the advanced services the company could have provided and the residents of the larger urban areas already enjoy".

Québec-Téléphone's brief goes on to say: "The 1987 policy statement and the 1993 act led us to believe that nothing would stop Québec-Téléphone from offering a comprehensive package of communication services on its territory, as all other telephone companies will be able to do, wherever they may be located in Canada. Québec-Téléphone believes this demand is natural and that it constitutes a logical extension of vested rights recognized by the 1987 policy statement and in the communication act. Québec-Téléphone is convinced that the government will recognize its efforts and its determination in all fields which have marked its

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long experience and that the government will simply allow it to go on doing what it has already started out to do".

Last year, the government adopted orders in council which were a lot more threatening for Canadian culture than what we are proposing today. Allowing satellite broadcasting where 75 per cent of programs originate in the United States represents a much bigger risk.

A broadcasting licence is important for Québec-Téléphone because it will allow it to develop the regions affected by the creation of quality jobs, to make new services accessible at a reasonable cost, to ensure competition over the territory served by the company, to promote culture in French and to guarantee the development of Québec-Téléphone.

• (1120)

A licence is desirable for Québec-Téléphone, its customers, the people it serves, its employees and its shareholders.

I am convinced the government will do everything in its power to consider this motion favourably and to find a solution which will be acceptable for all stakeholders, without compromising the cultural sovereignty of Canada and Quebec alike, and as soon as possible.

Mr. Guy H. Arseneault (Parliamentary Secretary to Deputy Prime Minister and Minister of Canadian Heritage, Lib.): Mr. Speaker, Québec-Téléphone's rights to hold a licence to provide broadcasting services on the information highway is a crucial issue for the people of eastern Quebec. These people should have access to the same kind of broadcasting, telecommunication and new communication services as the rest of the Canadian population.

The information highway offers hope for the economy of the future. I think that is not unrealistic. Right now, the economic, social and cultural sectors are going through a period of rapid transition brought about by the power of the information, to name but one factor.

It is true that electrical connections and wires by themselves will not create that economic growth. But it is there new information content and applications essential to every information based society will be developed.

The federal government showed the way by dealing with issues related to the creation of the information highway in Canada. That information highway will answer the needs of the Canadian population and allow us to remain competitive on the global communication market.

The government identified three study objects for the public consultation process leading to the implementation of policies in that area, namely facilities, content and competition.

With regards to the competition policy, many supported the guiding principle according to which a fair and sustainable competition is good for consumers. Canadian consumers have clearly indicated they want more competitive distribution choices.

Our government's policies have already helped to determine how competition will be introduced into direct to home satellite services. Among other things, the government has launched a process that will make it possible to ensure healthy competition in the delivery of direct to home broadcasting and telecommunication services.

Despite the strong competition that will result from these new types of systems for delivering services, the development of our cable television and telephone networks in Canada will continue to be one of our greatest assets in meeting the challenges of the future in the communications field.

Clear guidelines resulting from the government's policy will reassure the industries in question and encourage them to invest in the technologies that will benefit Canadian consumers.

The freedom of consumers to use the services they feel are the best and to select whichever network or networks they wish can be respected only if competition between the various stakeholders is fair and defensible.

In this regard, we have pointed out to the government that it would be preferable not to give an initial advantage to the cable television and telephone companies in the provision of services traditionally offered by one or the other. These conditions apply not just to the regions served by Québec-Téléphone and BC Tel, but to the entire country.

It is the CRTC that studies regulatory questions such as the conditions of interconnectivity and interoperability, in order to ensure competition in the local telephone services sector. For its part, the government will determine the evolution of competition between these networks.

• (1125)

The Deputy Prime Minister and heritage minister has indicated her readiness to find solutions that will guarantee residents of eastern Quebec and British Columbia the same kind of services enjoyed in the rest of Canada.

Numerous meetings have already been held between the directors of Québec-Téléphone and BC Tel and the minister or her representatives. The talks are continuing, with a view to finding solutions that will maintain the integrity of the Canadian broadcasting system, while offering Québec-Téléphone and BC Tel the latitude necessary to ensure that their networks can be used effectively and that they complement communications services in the regions inhabited by their clientele.

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The government will shortly be announcing the implementation of its policy with respect to merging telecommunications and broadcasting. I am sure that this policy will include the inhabitants of the Gaspé, the Lower St. Lawrence, the North Shore and any other region served by Québec-Téléphone or BC Tel.

[English]

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, I commend my colleague from Quebec for Motion No. 102 which is currently before the House. It is an excellent motion and one which we could support 100 per cent if it were expanded to include B.C. Tel in every reference that was made to Quebec Tel. It seems to me that the problems with Quebec Tel with regard to the CRTC regulations and other legislation in Canada apply equally to the B.C. Tel organization.

I commend the concise way in which the arguments were presented. The examples given were excellent and they continue to also prevail in the province of British Columbia particularly with reference to B.C. Tel. The difference between B.C. Tel and Quebec Tel is that B.C. Tel is much more pervasive in that it covers the whole province. I commend my colleague for her willingness to bring forward this issue.

Rather than rehearse all of the good things that B.C. Tel has done and is doing and all the good things that Quebec Tel has done and is doing, I would like to draw brief attention to what brought about the need for a motion of this type to be introduced in the House. The primary reason this kind of motion must be presented to the House is that the legislation governing these foreign ownership of telephone companies and things of this sort is obsolete. Let me give a couple of examples of why I think this is the case.

A tiny little company is being developed in southern Ontario called The Linc which is going to try to combine the provisions of Internet with long distance telephones. We know that the communication signals are rapidly going into digital form and not too long in the future all of them will be digitized which creates some very interesting points. This makes it possible for signals to be compressed so that they take up very little space on the highway. They can then be decompressed at the receiving end to be interpreted as to what the message really was.

The minister's Information Highway Advisory Council was made up of all kinds of people. They were not political but were people who understood the business, particularly the technology pertaining to communications.

Members of the council said the following about foreign ownership limits: "As a means of reinforcing Canadian sovereignty, the Telecommunications Act, the Broadcasting Act and Teleglobe Act include provisions respecting Canadian ownership and control. In broadcasting and telecommunications, current regulations limit

foreign ownership to 20 per cent". Apparently as of last week that was changed to 33-1/3 per cent. "As part of foreign ownership provisions and the Canadian ownership requirements in the Telecommunications Act 1993, Parliament introduced grandparenting provisions for two telephone companies: B.C. Tel and Quebec Tel. The council considered whether the grandparented status of these companies should be extended to cover licences to operate broadcasting undertakings. I submit they should.

• (1130)

Foreign ownership limits are meant to promote Canadian control. They may, however, deny Canada access to the investment necessary to develop the Canadian information highway. My hon. colleague across the way recognized how important the information highway is to Canada's economic, social and cultural development.

The very restriction being proposed, that is currently in vogue, and the one that is being proposed that it be lifted would encourage the development of the information highway, not discourage it. If we continue to insist on obsolete legislation, we will discourage the very thing the Minister of Industry is so strongly supporting and developing.

The council believes that with respect to investment the behaviour of capital is more critical as a policy issue than its source. It raises the very interesting question of how one determines the nationality of capital in the first place. It is important to recognize that capital in itself has no conscience. Capital does a variety of things. It seems the issue is not where that capital comes from but rather what that capital does.

We have Canadian capital engaged in all kinds of activities, some of which are smuggling and dealing in contraband activities. It is not that the capital did not originate in Canada; it is capital that is doing the wrong thing. If we really want to control capital we should be controlling what capital does so it can meet the objectives of our social, economic and cultural goals.

We need to have legislation that governs capital so it can operate in manner consistent with Canada's economic, social and cultural objectives. To that end, the advisory council went on to say that the liberalization of the telecommunications environment may be the most important step to realizing the economy-wide benefits of information highway use and development following a transitional period toward market based pricing, a framework of open and sustainable competition. That is at the heart of this issue.

It is all very well to speak about competition, and then have legislation which defies the implementation of that competition. It is important to recognize something which happened last week. The director of the CRTC, Keith Spicer, proposed that long distance charges be deregulated. In other words, the CRTC should not have regulatory power over the setting of those rates. That is

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the first admission that it cannot control those rates. The competition is such that it is always behind the eight ball in those areas.

Last week the U.S. deregulated local telephone charges, which raises an interesting question for the ministers involved. What are the priorities? If Canadians were given a choice between giving the Canadian telecommunications industry the advantage it needs to be a strong contender and a leader in the global communications market, or preventing the Canadian industry from having a fair chance to compete by condemning our industries to third class, unable to compete, unable to produce jobs and growth, which do our ministers think Canadians would choose?

We want jobs. There is no doubt that if we are to have jobs we need to have competition especially in the electronics industry. If one talks to the people in the industry it becomes clear very quickly that if they were limited to competition in the Canadian environment only, they would not be able to generate the kinds of profits they would need to expand.

It is highly necessary for the government to realize within its own ranks, within its own cabinet there is a split over the issue of foreign ownership of phone and cable firms. There is a convergence developing in Canada today between telephone companies and cable companies. They can do exactly the same thing, provide telephone service and provide cable service.

• (1135)

I ask the government to examine the efficiency of the CRTC on the one hand dealing with telecommunications and broadcasting, and the Department of Industry dealing with spectrum management.

We have three different kinds of operations now. We have telecommunications and cable on this side. With industry, we have local multiple communications systems and the personal communication system.

The last two deal with licensing of certain spectra so that the industries or the companies involved will manage and communicate on those spectra. These licences have been granted by the minister of education to some companies. I have a lot of questions about exactly how the process was implemented to show fairness and equity for all those applying.

On the other hand, I want to compare what that process was with what the CRTC is doing. The CRTC is holding back technological development. It is making it very difficult for the companies to advance technologically.

On the other hand, the LMCSs and the PCSs and the way the licences were granted provided increased competition. While one of the processes is efficient, the other is not. Both have some problems with them. The time has come to examine how we will

control what capital does in Canada. That becomes the issue, not where capital comes from.

I encourage the hon. member from Quebec to expand her motion to include B.C. Tel so that we could support it 100 per cent.

[Translation]

Mr. Bernard St-Laurent (Manicouagan, BQ): Mr. Speaker, I would like to make a few brief remarks to give the House an idea of what is going on in the regions with regard to important issues such as the one raised by my colleague from Rimouski—Témiscouata, namely the granting of a broadcasting licence to Québec-Téléphone.

Such a licence would put regions such as the North Shore more or less on an equal footing with the large cities as far as communications are concerned. I will start by giving a quick overview since my colleague covered the subject in more detail.

Québec-Téléphone was founded in 1927 by Jules A. Brillant. It is important to note that in 1966, in order to have access to the capital he needed to modernize and develop his network, Mr. Brillant gave up his interest in the company. GTE Corporation became majority shareholder, which allowed to keep the head office in Rimouski. That was done to protect the regional character of the company.

To better understand the difficulties Québec-Téléphone faces, it is important to know the context in which it operates. The territory it serves extends over 72,000 square kilometres, which is 40 per cent of Quebec's total area. Québec-Téléphone is independent in its decision-making and in the choice of its suppliers. One important detail I want to mention is that French is the company's only working language.

During my speech, I will talk a lot about the regions because Québec-Téléphone is essentially an image of the regions and of the kind of service that can be offered and obtained in the regions. It must be noted also that the company is technologically advanced, offering affordable digital service to all its clients in the regions.

Of course, the company is proud of offering equal access to advanced services such as teleforum, videoforum, cellular telephony, 911, Internet, which is very popular right now, and I would add that the information highway is the key to the future.

• (1140)

I was just reading a document describing the information highway as a way of putting all regions at the heart of economic activity. It said it gave access to "cybervillages", a typical term in this field.

What is Québec-Téléphone's contribution from the economic point of view? There is mention of close to \$75 million in salaries in 1995, paid to nearly 1,700 employees spread out more or less

across the area. Despite difficulties in covering the territory, there are 1,700 workers, 600 of which are also share-holders. This is a figure worth noting.

There is also more than \$800 million worth of property throughout the area, as well as modern tools for communicating with customers.

Québec-Téléphone contributes to social and cultural development through such means as promoting culture, particularly via its directory, which always features the work of local artists.

Financial support to the arts is a very important aspect, and one not shared by other regional businesses: close to \$100,000 in funding to museums, theatre and music in 1995, for example.

One of the key problems encountered, and one for which no one can be blamed, it is just a regional reality: some, if not most, of regional businesses merely siphon off local funds, perhaps even taking away raw materials. Not all of them do so, and not all of them do so to an indecent extent but, if we look at businesses in the regions and compare the value of what is taken out of the region with the sums ploughed back into the region, investment in culture and young business entrepreneurs, for example, true implication is a fair exchange. Québec-Téléphone has earned good marks in this regard, for it has no other investments to protect and to build up elsewhere. Think Québec-Téléphone and you think North Shore, the Gaspé, all those areas my colleague for Rimouski—Témiscouata has just mentioned.

Québec-Téléphone is therefore in the vanguard as far as efforts invested in cultural and social development are concerned.

There is also mention of a \$350 000 donation in 1995 to the east Quebec cancer society, over 7 years.

Furthermore, its employees are involved in education, health care, culture, socio-community activities, sports, economics and politics, areas in which they put some 26,000 hours back into the region in 1995. This is a huge amount of time. I know from experience that the corporation vigorously encourages its employees to get involved in the arts. I know that many are involved, not only politically but socially and in the community, pretty much everywhere. The company often provides flexibility in terms of working hours in order to offer organizations in these areas some help.

Québec-Téléphone contributes more than \$1 million a year to research and development. It has an endowed chair in optical telecommunications at Laval University, a French language research centre on organization automation, and so on.

As time is moving along, I will shorten my next point, which concerns the high rate of unemployment and the exodus of young

people in fringe areas. Therefore it has to be shown that the company wants to continue to increase regional development.

With the famous information highway connecting our regions, it helps outlying regions like eastern Quebec, which encompasses a considerable area. Things are made so much easier that, through these technologies, progress is being made at essentially the same rate. Regions are not necessarily at an advantage, because that would mean they have more, but they are more or less on the same footing.

The problem for everyone in the regions is the transmission of information, getting up to date more quickly. With the new capabilities Québec-Téléphone is asking for, this problem would be resolved with a totally regional flavour, something that would not be guaranteed with outside firms. Québec-Téléphone has proven itself in this area and, I am sure, will continue to do so.

I will conclude by saying that the firm has demonstrated its ability in this regard. I think all Bloc members would endorse what would be, in my view, a justified swing of the pendulum in its favour while ensuring the region served by the company is well represented in its future development.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I am very glad to have introduced this motion. I was often asked about the origin of the grandfather clause. As many will know, it comes from the 15th amendment to the American Constitution giving blacks the right to vote. But when they came to vote they were told: “You can neither read nor write but if your grandfather voted in the past, this gives you the right to vote”. This is why we use, by analogy with this 1869 amendment to the American Constitution, the term “grandfathering” when referring to vested rights.

I readily accept the request of the hon. member of the Reform Party who asked that the motion I introduced be extended to B.C. Tel. Besides, B.C. Tel is already participating, as a partner, to all discussions between Québec-Téléphone and the government and, as my hon. colleague from the government said, the solution that will be found for Québec-Téléphone will apply to B.C. Tel as well.

The minister has recently amended the direction on eligible Canadian corporations, but it is still not enough to meet the needs of Québec-Téléphone since it is still not 50.4 per cent of shares that can be owned by a foreign company. The important aspect of this whole issue, as I believe I have said at the start of my speech, as the heritage minister herself said and as everyone will understand, is to find a solution allowing Québec-Téléphone and B.C. Tel to continue to provide legally and openly multimedia services to the public, but in a way that would protect the cultures of both Canada and Quebec.

Government Orders

SUSPENSION OF SITTING

The Deputy Speaker: There being no further members rising for debate and the motion not being designated as a votable item, the time provided for the consideration of private members' business has now expired and the order is dropped from the Order Paper.

Is it the pleasure of the House to suspend the sitting for a few minutes?

Some hon. members: Agreed.

(The sitting of the House was suspended at 11.49 a.m.)

SITTING RESUMED

The House resumed at 12 p.m.

GOVERNMENT ORDERS

[*English*]

DEPARTMENT OF HEALTH ACT

The House resumed from April 19 consideration of the motion that Bill C-18, an act to establish the Department of Health and to amend and repeal certain acts, be read the third time and passed.

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, it is an honour and a privilege to speak today on Bill C-18 which will establish the Department of Health.

Many in the House have observed that the health related duties, powers and functions which are set out in the proposed new legislation do not differ greatly from the previous act. Indeed, it can fairly be said that the old act has served us very well over the past half century.

At this point I would like to congratulate my hon. colleague from Fredericton—York—Sunbury for a motion he put forward. His amendment reincorporates a clause from the current Department of National Health and Welfare Act, an act dating back to 1944. This amendment explicitly defines the minister's personal and legal responsibilities for the department.

I am pleased to say that the government gave the member for Fredericton—York—Sunbury its full support on this amendment and it was passed at report stage. The Minister of Health as well shared the concerns of the member that this legislation makes things perfectly clear with regard to his powers, duties and functions.

There are some obvious differences in this bill which is to be expected in a knowledge intensive field like health. One of these

differences is found in clause 4(2)(a) where there is explicit reference to:

—the promotion and preservation of the physical, mental and social well-being of the people of Canada;

This is an amplification of the reference in clause 4(1) to the promotion and preservation of the health of the people of Canada which corresponds to section 5 in the old act.

What does this mean? Some people have read into it something of a sinister message, a sign of an as yet undeclared plan by the federal government to occupy the full arena of physical, mental and social well-being. Such a move would have a significant impact on the division of responsibilities for health between the federal and provincial legislatures.

Others have observed that the inclusion of this clause seems somewhat odd, given the transfer of the welfare side to the Department of Human Resources Development. After all, would it not make sense to consolidate all federal responsibilities for physical, mental and social well-being in a much more inclusive health department?

My first observation is that the legislation makes it abundantly clear that the powers, duties and functions of the Minister of Health do not extend beyond the area over which the federal Parliament has jurisdiction. This means that the reach of Health Canada cannot and will not extend to the legal mandate of other federal entities. Rather, section 4(2)(a) says how the federal government views health. The choice of the words "physical, mental and social well-being" is no accident.

• (1205)

These are the exact words used by the World Health Organization to define health. It is a concept that goes beyond seeing health in terms of the presence or absence of disease. It is a concept that sees health in terms of the whole person. This is a concept of health that embraces quality of life rather than just duration of life. Including the phrase "physical, mental and social well-being" in the bill before us today does little more than to formalize what has long been a reality.

In my former life I was in the health industry for 30 years and for many of those years advocated bringing those three elements together. Rather than divide a person let us look at the person in a holistic fashion.

It is neither new nor startling. It makes it clear that health means so much more than the absence of disease. Good health across a society flows from an entire set of public policies and personal decisions.

The determinants of health are the complex web of factors that contribute to the overall state of a person's health. These are social, economic, physical, psychological and other elements. Is it any wonder that research shows that people who are unemployed experience both stress and greater health problems? Or perhaps

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hon. members have seen some of the reports in the newspaper where researchers have found real differences between the health of people who feel a sense of personal control in their lives and those who do not. All of this simply reinforces what we already know.

Despite the best technology and the advances in drugs and procedures, what takes place outside a doctor's office is more important than what goes on inside that office. This fact has become a common theme in the analysis of health policy options. For example, Health Canada spends a large sum of money each year to provide health services to status Indians and Inuit. Yet aboriginal people continue to suffer, with many of the poorest health statistics in our society.

This of course is not a place to discuss these health statistics but it makes clear the importance of the comprehensive focus on well-being. It also underlines one of the basis facts of health, system renewal. We cannot spend our way to good health through the health care system no matter how much we invest.

We are better off to help people achieve a state of well-being that results in better health and less need for health care. A growing appreciation for the many factors that contribute to the health of Canadians has sparked an increased focus on the elements of well-being. Progress in this area establishes a foundation from which our health care systems can operate more effectively. It is rightly seen as an investment that minimizes future health care costs and that is extremely important.

Some of these factors lie within the mandate and the programs of the federal health department. Others lie within the mandates and programs of other federal agencies. Some are within the reach of provincial and territorial governments and still others lie totally outside of the public sphere. This is the reality of health. It is the reality of Canada's health system. It is a reality that requires partnership and co-operation. It is a reality that places a premium on the evidence about determinants of health and the outcomes and effectiveness of health policies and programs. Most importantly, it is a reality that does not require any expansion of the federal health mandate.

• (1210)

Once this focus on partnership for well-being is put into practice, we see it as the practical concept that it is. Let me use the example of Canada's drug strategy. The ultimate aim of federal programming is to minimize if not eliminate the human tragedy that is the common consequences of drug abuse.

Looking at the problem of drug abuse in these terms allows us to also consider contributing factors in the context of a much broader array of health determinants.

Many here will recall the "Really Me" message that Health Canada coined for Canada's drug strategy. This message is meant

to capture in two words the sense of confusion over identity and destiny that often contributes to a young person's decision to experiment with dangerous substances as well as the positive imagery of a drug free life.

Canada's drug strategy obviously encompasses a great deal more than slogans and messages but is aimed at addressing what physical, mental and emotional well-being is all about.

Let me offer a current example, the Canada prenatal nutrition program. This initiative arose from the red book commitment. Its goal is to promote the development and growth of healthy babies. However, the route to that goal means addressing the factors that can harm that development.

Clearly, a child in a mother's womb is no healthier than his or her mother to be. If the woman is eating poorly or in an abusive relationship or using drugs, the risks to the baby are very high.

This program, as members are well aware, supports comprehensive community based efforts aimed at reaching these high risk, pregnant women. At one level it includes food supplementation, nutrition and lifestyle counselling and related information. At another level it gives them more tools to take better care of themselves and their babies.

The mothers to be targeted by this program are usually poor. They are often underweight themselves. They may smoke, drink or use drugs. They also may be in abusive relationships. They often live in poor areas of our communities. They are often young, single and uneducated.

Such conditions are the determinants of health that lead to 40,000 low birth weight newborns a year who begin life at less than full capacity. These are the factors that this program is working to correct.

The focus on well-being goes far beyond many health promotion efforts by Health Canada. It extends into health care delivery. The phrase quality of care clearly means more than clinical outcomes.

Whether or not quality is the result will inevitably vary between individuals, not because the results vary in clinical terms but because identical health states may be valued differently by different people.

Take for example a surgical procedure for which there is a good chance of a known side effect. For some the side effect may imply a lower quality of life than living with the disease in question. For others the reverse would hold true. In both instances the aim of the clinical decision is to achieve the health states of greater value to the individual.

This is a choice that every one of us wants to have. Yet it is a choice that is not available if health is conceptualized in a way that sees it only as the presence or absence of disease. We are talking holistic medicine here.

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At another level it is obvious that there remains much to be learned about the factors that underlie and shape a person's fiscal, mental and social well-being. I am reminded that health concepts in medical terminologies and technologies have evolved greatly since 1867 yet at no point has Canada's Constitution been a bar to the effective pursuit of health.

We are now at a point in which provinces and the federal government understand and accept the need to build well-being as a part of the overall health strategy. Governments work together. I am not aware of any province that seriously sees the Health Canada mandate for well-being as a threat to its responsibilities. If anything, it underlines the shared commitment to addressing the basis of good health and well-being. It underlines a longstanding commitment to the co-operation that has served us so well.

• (1215)

In terms of health status, we are second only to Japan in terms of neonatal deaths. In terms of our record in the development of health concepts, Marc Lalonde's 1974 "A new Perspective on the Health of Canadians" is still regarded internationally as a breakthrough, 21 years after its release. The record of our health care delivery system speaks for itself, a source of pride for all Canadians and the envy of the world.

The inclusion of section 4(2)(a) in the enabling legislation conveys a message about who we are and what we stand for. We stand for a commitment to the physical, mental and social well-being of Canadians and a readiness to work with others to achieve that end. This section simply recognizes the complex range of factors that influence health and that they deserve consideration as we promote health.

In short, this section tells us what we already know to be true. A department charged with promoting the health of Canadians needs to see its mandate in terms that reflect the reality of peoples' lives and all the elements that lead to good health.

[*Translation*]

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, I am pleased to be able to speak once again to Bill C-18, which was introduced as Bill C-95 before the recent prorogation of the Houses. The bill's purpose is mainly to establish the federal Department of Health. It also amends and repeals certain other acts.

Such a bill is absolutely unjustified. There is no reason to pass such a measure since health is exclusively a provincial jurisdiction. It is crystal clear in the very constitution the government wants to impose on Quebecers. I said it before, I say it again and I will go on saying so. It seems hard to understand, but health is an exclusive provincial jurisdiction.

With its spending power, the federal government retains the possibility of interfering in all areas of provincial jurisdiction as it pleases and without consideration for the distribution of powers guaranteed in the Constitution. To prove my point, I quote Alexander Galt, one of the Fathers of Confederation, who stated that the distribution of jurisdictions as described in the British North America Act of 1867 did not give provinces enough money to enable them to properly administer their areas of jurisdiction.

Alexander Galt's comments leave no doubt as to the initial intentions of the Fathers of Confederation as well as of another author of the 1867 act, who said that eventually the provinces would become nothing more than big municipalities under federal supervision and largely dependant on the central government.

It might be difficult for some to admit today that this might have been the goal of those who thought up the British North America Act. Difficult to believe that the act which gave birth to Canada provided, even at a very early stage, for an increased centralization of powers in Ottawa.

The point of my little aside was to show that, contrary to what some would have us believe, nothing has changed. We can see that the same centralized approach giving the present central government an overwhelming importance is permeating not the discourse, heaven forbid, but the actions of today's main federal leaders. The best example of this can be found in the health care area in which the federal government has continuously interfered in an increasingly more persistent way. Bill C-18 before us today is a case in point.

• (1220)

The Constitution Act gives the provinces general jurisdiction over health care by including generally all matters of a merely local or private nature in the province. Anyone can read this under subsection 92.16. Moreover, subsections 92.7, 92.13, and 92.16 of the same act give the provinces exclusive power over hospitals, the medical profession and the practice of medicine as well as health care in general in the province. I might add that this is an area of exclusive provincial jurisdiction because it pertains to property and civil rights.

Accordingly, it seems clear that health is under provincial, not federal jurisdiction. However, the federal government has been intruding in this area for many years now, and in various ways. The Hospital Insurance and Diagnostic Services Act, the Medical Care Act and, more recently, the Canada Health Act, which combines the other two and sets so-called national standards, show clearly what this federal government thinks about shared jurisdiction.

The will or temptation to intrude on health is not new. It goes back to the end of the second world war. The federal government

had taken over all main taxation areas to make sure it would control most of the taxes normally levied by the provinces.

At the end of the war, the federal government had a bright idea: instead of returning powers of taxation to the provinces, why not redistribute the money through grants subject to standards it would set. This was a clever way to intrude even more in areas under provincial jurisdiction, at a time when it seemed that the Privy Council in London, which then played the role now assigned to the Supreme Court, wanted to limit the federal government's centralizing tendencies.

Since then, the federal government has been using established programs financing to transfer money to provinces for health and post-secondary education. The amounts given to provinces under that program are transferred partly in cash and partly in tax points.

Transfers were computed from expenditures for a base year, 1975-76, and were supposed to be indexed on the average GNP per capita over the last three years. Basically, since its implementation in 1977-78, established programs financing has been characterized by a unilateral partial withdrawal on the part of the federal government.

Implemented in 1977, the established programs financing structure has remained unchanged. However, for the last ten years or so, its intended rate of increase has not been respected. This is where the shortfall for provinces and Quebec in the area of health comes from. This is a good example of the damage that a government can do when it refuses to acknowledge that it cannot substitute itself to other levels of government everywhere.

In 1986, the federal government reduced the growth rate of transfers by 2 percentage points, which means that health expenditures had to grow 2 percentage points less than the GNP. That was the start of a long series of cuts in payments.

In 1989, there was another cut in the indexing factor of 1 percentage point, which meant that by now growth in health expenditures had to be 3 points below the growth of the GNP.

In 1990, Bill C-69 froze transfers at the 1989-90 level for an anticipated period of two years, regardless of inflation, when actual health costs were continuing to rise.

In 1991, the federal government announced that it was extending the freeze for another three years. During most of this sad period for health care, the opposition party was outraged. It clamoured that this could only lead to ruin for the health care system. Yet, that same party, now the government, continues to weaken the system.

The result is that between 1977 and 1994, the federal contribution to health care went from 45.9 per cent to 33.7 per cent, a drop

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of 10.6 per cent that Quebec and the provinces had to deal with to the best of their abilities. Unfortunately, forecasts for 1997-98 indicate that the federal share will drop to 28.5 per cent.

• (1225)

Over the years, as Ottawa withdrew from health financing, it is almost \$8 billion that Quebec alone did not get, that the Quebec government had to manage to find elsewhere. We can add to that amount the cuts expected in the Canada social transfer, that is \$308 million for 1995-96 and more than \$587 million in 1997-98.

According to a study by the C.D. Howe Institute, from 1988 to 1992, while spending for transfer payments remained unchanged, spending for other federal programs increased by 25.5 per cent. Consequently, cuts in health transfers to the provinces went to reduce the federal deficit. The federal government went on spending too much, while telling the provinces to tighten their belts.

The leeway the Canada social transfer is supposed to give is in fact nothing but an opportunity for Quebec and the provinces to decide for themselves where they will make cuts to make up for this unilateral withdrawal. That is the vision the present Liberal government has of decentralization. That is what it means when it talks about flexible federalism. Thanks, but no thanks. We are not interested.

Last Spring, the National Council of Welfare, an organization whose mandate is to advise the federal health minister, had this to say to the minister: "It would be extremely hypocritical to reduce contributions to the provinces while increasing the requirements they would have to meet". Yet, the National Council of Welfare is not known for its sovereignist leanings.

As I mentioned earlier, sections 92.7 and 92.16 of the British North America Act state that health and social services are exclusively under provincial jurisdiction. Yet, the federal government also has a health department.

Next year, it will cost taxpayers more than \$1 billion, \$1 billion wasted to do what the Government of Quebec and the governments of other Canadian provinces could very well do by themselves.

Moreover, this redundant department that employs more than 8,000 public servants allocates significant amounts for programs and projects that already exist in Quebec and in the other provinces. I can give you some examples from Quebec, where there is duplication in programs. Here are a few examples: the strategy for the integration of persons with disabilities, the family violence initiative, the new horizons program, the seniors secretariat, the program to reduce smoking, the anti-drug strategy, the strategy against AIDS, the pregnancy and child development program, the children's bureau, and so on.

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It is this kind of duplication the federal government should have cut, instead of stubbornly trying to have its say in every area; the disastrous impact of this on government finances does not seem enough to make it face reality. It shifts the deficit onto the provinces by cutting transfer payments for health care, and people are paying the price.

There is another federal initiative shows the government's determination to meddle in health care without the provinces' consent: the national forum on health, aimed at taking a critical look at our health care system as a whole and proposing ways to compensate for the ever increasing costs in this area. According to several analysts, the federal government could even take this opportunity to tighten the criteria and requirements in the Canada Health Act. Moreover, every single province openly criticized the federal government's attitude, which in this instance is pushing aside those with legal jurisdiction over health matters.

In this regard, on September 27, 1994, the current Minister of Immigration told *La Presse*: "The federal government's actions make no sense. How can it contemplate a review of health care plans without the participation of the provinces, which are responsible for providing services? This is clearly unacceptable". I would be curious to hear the Minister of Immigration's current position on the national forum.

• (1230)

Another extremely wise comment on this Liberal government's failure to honour provincial areas of jurisdiction was made by Thérèse Lavoie-Roux, who, when she was still a member of the other place, asked why the provinces had not been invited to participate in the forum. "Are they not the main players in the area of health? Does the government leader think it is appropriate for the government to act unilaterally in an area that comes under provincial jurisdiction?"

Now, looking specifically at Bill C-18, it is clear that, instead of showing good faith by withdrawing from this area over which it has no jurisdiction, the federal government is doing its best to encroach little by little on provincial jurisdictions for its own benefit. This bill was not presented as a bombshell, as a megabill; it was presented to us as an innocuous and inconsequential bill, while in fact it is definitely not so.

Paragraph 4(1) sets out the powers, duties and functions of the health minister. It suggests that the powers, duties and functions of the minister extend to and include all matters over which Parliament has jurisdiction relating to the promotion and preservation of public health. There certainly is room for clarification here.

The following clauses are more subtle. Paragraph 4(2) lists particulars concerning the minister's powers, duties and functions,

including the promotion and preservation of the physical, mental and social well-being of the people. The people in question are the people of Canada. This clause would give the federal government the authority and right to interfere in an area under exclusive provincial jurisdiction.

Paragraph 4(2) goes on to include the protection of the people against risks to health and the spread of diseases. There was nothing to that effect in the original act that Bill C-18 seeks to replace. This opens the door to the federal government stepping in to protect the health and ensure the safety of the people by invoking the national interest or peace, order and good government.

Paragraph (c) of the same clause provides that investigation and research into public health, including the monitoring of diseases, come under federal authority.

This creates a problem, since later on, in clause 12, it is stated that nothing in the act or the regulations authorizes the minister or any officer or employee of the department to exercise any jurisdiction or control over any health authority operating under the laws of any province.

How does the Department of Health intend to monitor diseases without having access to the necessary information? Under the Health Services and Social Services Act, health care institutions are governed by provincial legislation.

Is this a real problem? Does clause 12 adequately restrict federal involvement in the health care sector, or is it just a front to reassure the provinces, one that the federal government will easily remove at will, as it has done so effectively in recent years?

Clause 4 can certainly be interpreted in a very wide and generous way. We definitely have to wonder about the real meaning of this clause, which can be interpreted in several ways, and which may reflect a number of intentions.

It is typical of the federal government to use a seemingly simple and innocuous bill to intrude on fields that come under provincial jurisdiction. However, nobody is gullible to the point of not seeing what is going on.

Bill C-18 is another typical example of the federal government's sneaky and quiet way of doing things, without making waves. It acts like this because it knows full well that no one agrees with its way of doing things in the health care sector. Instead of admitting that it is in the wrong and taking corrective action before it is too late, the federal government persists in a sneaky way, so that no one will realize what is going on until it is too late.

Clearly, federal interference in the health care sector has a very negative impact. It is also obvious that the federal government stubbornly refuses to recognize the fields that come under provincial authority and also continues to reduce transfers without

making national standards more flexible. We are headed towards the death of the health system as we know it.

• (1235)

No more sad claims that Canada holds the only insurance policy for a health system such as ours. Yes, we are proud of our health system; yes, we want to hang on to it and even to improve it; no, Canada is not an insurance policy for this system, far from it; and no, Quebec's sovereignty will not spell the end of our health system, quite the contrary.

The only real threat lies in the lack of vision of a federal government that no longer has the money to match its centralist ambitions and that should, as soon as possible, turn over full authority, including financial authority, in matters of health to the provinces, at least to those which have asked for it. The health of Canadians and Quebecers can only improve.

It goes without saying that for all these reasons, and for many others that I will raise at a later time, it is impossible for the Bloc Québécois to support Bill C-18 in any way.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I wish to congratulate my hon. colleague on the clarity of her address. I think that salient point in it is that attempts have been made in recent years to clearly demonstrate the considerable amount of waste and duplication there was between the two levels of government.

Often people ask for concrete examples of such waste. The various strategies in the different programs my colleague has listed, for example to integrate the disabled, the campaigns against family violence, drug use or AIDS, can readily be seen as worthwhile from the political point of view. The reason for federal involvement in these is obvious, particularly because it gets involved through its spending power.

In today's Canada, we cannot necessarily afford such things. The hon. member's presentation has made that abundantly clear. I therefore feel that it would be in the federal government's best interest to think once again about whether it is advisable to get involved in this area, before adopting this bill.

I would like to ask the hon. member where the national forum on health fits into this. I was looking at its mandate just now: "to improve the health of Canadians and the efficiency and effectiveness of health services".

Mr. Speaker, what I would like to find out from my hon. colleague is which of the responsible governments is the one most capable of ensuring efficient and effective health services? Is it the federal level, which does not provide front line services, or is it the provincial level, which does provide such services, which has the responsibility for them, which is always on the firing line? Is it the

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provincial governments, all of which are being faced with difficult choices at this time?

Mrs. Picard: Mr. Speaker, I thank my hon. colleague for his question.

We have reviewed the history of the national forum on health time and time again. Where does it fit in here? I see it as nothing more than smoke and mirrors.

At this time, and it can never be repeated too often, the provinces are the ones managing health programs within their borders. As I have always said, I do not in any way question either the quality or the experience of the people on the national forum, but what use will their expertise be put to? There is not a single provincial representative on the forum.

All of the provinces are busy restructuring at this time. We can see that in Quebec, where the minister, Mr. Rochon, is in the process of reviewing and restructuring, with a view to managing the health system in a new way and to ensuring quality health care, while taking into consideration our aging population, technological innovation and drugs costs.

The provinces are the ones who know what their needs are. What can the national forum contribute in addition? Once again, the federal spending power is being used to start up new things, to waste time and money.

• (1240)

This is not the first time we in the Bloc Québécois have said that the national forum on health is, in our opinion, just smoke and mirrors with which to convince the people of Quebec and of Canada that this is a good government.

Mr. Crête: Mr. Speaker, I think the demonstration was quite clear. I would ask the hon. member for more details about an example of direct concern to her. We are told the government has a strategy to integrate people with handicaps, whereas in Quebec there is the Office des personnes handicapées du Québec, whose head office is in the member's riding, I believe.

Would the federal government not be better advised, rather than putting in additional funds necessitating even more money for administration purposes—there must be administrative costs in a strategy to integrate people with handicaps—not to spend this money on a program that competes to some extent with action taken by the Government of Quebec? Would the Office des personnes handicapées du Québec not benefit significantly more from the federal government's withdrawal and thus provide a better and more complete service to Quebecers with handicaps?

Mrs. Picard: Mr. Speaker, I thank my colleague for his question. This is not the first discussion of duplication.

It is true, the Office des personnes handicapées du Québec is to be found in my riding. Rather than take into account what is

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happening in each province and the programs each has set up, as I was mentioning earlier, the federal government steps up with its spending power and, in the name of good government, says: "There seems to be a problem with seniors—or with people who have a handicap". And it assuages its conscience by putting money into a program, setting up a program that already exists in some provinces.

Why not support the programs the provinces have already set up? The provinces know the health care requirements in each of their regions. After needs have been assessed, programs are set up to help people, with the help of experts in health care. Seeing that the program is running well, the government, as I mentioned earlier, injects money into the program to justify itself and to assuage its conscience.

And if it is such a good government, why does it not support these programs by paying subsidies instead of cutting transfer payments, instead of tightening things up, instead of dumping its deficit onto the provinces and cutting transfer payments?

[*English*]

Mr. Lyle Vanclief (Prince Edward—Hastings, Lib.): Mr. Speaker, I am pleased and proud to address the House today in support of Bill C-18, an act respecting the Department of Health.

We have all heard allegations that the federal government has no role in health. Some contend that the government should leave health issues to the provinces and territories which actually deliver the services to Canadians. The government fully appreciates the provinces have constitutional authority for health care.

The provinces are responsible for health care delivery which generally encompasses hospital and medical services. The provinces plan, manage and operate Canada's health care system. These systems operate however under the framework of Canada's national health insurance system which we all know as medicare. This national system ensures that all Canadians, regardless of ability to pay, have access to well trained doctors and well equipped hospitals.

I do not wish to lend credence to the myth that the federal role in health is limited to its financial and other support of Canada's medicare system. At the same time we have every reason to be proud of the system and of this government's support for medicare.

Canadians justifiably take great pride in our national medicare system and the quality of medical services available to all of us. They know that regardless of where they live, what language they speak or what their employment status may be, they are all assured of access to high quality medical and physician services whenever they are needed.

• (1245)

Medicare also has economic benefits that accrue to Canadian businesses. Business supports medicare because it provides it with competitive advantages in the global market. Canadian businesses do not pay the costs of providing private health care insurance for necessary hospital and medical services.

Even after taking Canada's taxes into consideration, the cost of providing employee benefits is significantly lower in Canada than in the United States. This is certainly one of the factors that helps to attract multinational corporations to Canada.

The national character of the system also enhances labour force mobility. Workers do not need to fear health insurance coverage for themselves or their families because they change jobs or move to another province in search of employment. Canadians retain their coverage even if we move and become unemployed.

By guaranteeing Canadians access to quality health care, medicare helps to ensure a healthy and productive labour force. I believe our health care system has also helped to foster a sense of unity among Canadians. Canadian society is multicultural and diverse, as we all know. At the same time, it is strongly tied to North American culture.

It is sometimes difficult for Canadians to define ourselves apart from our neighbours to the south, but health care is certainly an exception. Our universal health care system is closely tied to our Canadian identity. It is valued as an outward manifestation of fundamental shared values, justice, caring, compassion and equity. Not only is there more to health than health care, there is also more to the federal role in health than upholding the principles of the Canada Health Act.

There are only about 25 employees who administer the Canada Health Act. The department's other employees support uniquely federal roles and responsibilities, work which is not carried out by the provinces and in which the federal government has a clear jurisdiction.

I will briefly outline for the benefit of everyone the vital work of this department. The department's work is clearly focused on four business lines. The first of these involves supporting and renewing the health system. Health Canada works here to maintain universal access to appropriate health care while helping to ease financial pressures on the public and private sectors.

In support of these goals, the department administers the Canada Health Act and makes transfer payments to support provincial health insurance systems. It also promotes collaboration and consensus on options for involving the effectiveness and efficiency of Canada's health system.

A good example is where the department works closely with the provinces and territories to evaluate the quality and effectiveness

of how health services are managed and delivered across Canada. This information is shared by all jurisdictions and helps shape the renewal of our health care system.

The federal government has statutory responsibilities to protect the health of Canadians. The Department of Health carries out this responsibility by monitoring and assessing risks to health from emerging infectious diseases and other public health threats. All the provinces and public health agencies in Canada rely on the department's public health intelligence.

The second line is risk management. The department manages national disease control strategies and ensures the quality and safety of foods, drugs and medical services for all Canadians. It also regulates human and veterinary drugs, oversees the safety of biologics and cosmetics and ensures the safety and nutritional quality of Canada's food supply.

I cannot emphasize strongly enough the vital federal presence in this area and how important it is to the health of all Canadians. Canada currently has no capacity to identify and analyse potentially lethal infectious diseases such as the Ebola virus. However, the Department of Health is now constructing a level four laboratory in Winnipeg which will do just that. When it opens, this facility will employ 100 scientists. Their work will further enhance the health and safety of Canadians from coast to coast.

• (1250)

The department's third business line involves collaborating with partners on strategies related to the health of the population. These strategies include health promotion, illness prevention and public education elements. They mobilize efforts to address national issues such as cancer, family violence, AIDS and prenatal nutrition. These strategies address the factors that lead to ill health. They provide much needed support to vulnerable groups at risk including children, single parents, poor families and seniors. They help prevent and combat heart disease, breast cancer and many other illnesses.

These strategies complement but do not duplicate the work done by Canada's many national volunteer health organizations. We owe the many volunteers a big debt of thanks for the work they do on behalf of the health of all of us. We are recognizing volunteer week in Canada and the number of people in all our communities who work so hard for the benefit of all of us.

At the same time, these health prevention and illness prevention strategies of the Department of Health reduce demands on Canada's health care system, thus contributing to reduced health care costs.

Prenatal care is a good example. The cost of neonatal care for a low birth weight baby is about \$60,000. The health promotion and

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prevention activities aimed at ensuring a healthy birth weight on average costs about \$400 per child.

The Department of Health's fourth business line involves providing health services to First Nations and other groups such as Canada's military personnel. It is not generally well known that Health Canada provides community health services to status Indians on reserves and to residents of Yukon through 600 health facilities across Canada. It also ensures that registered Indians and eligible Inuit receive a range of medically necessary goods and services not available from the provinces.

Apart from transfer payments to provinces, two-thirds of Health Canada's budget is devoted to the health of natives and native health issues. This is the only area in which Health Canada is directly involved in the health care delivery system.

The department is responsible for assessing and sharing the health of special groups such as civilian aviation personnel. It ensures the safety of the Canadian public in cases of national civilian disasters.

Together these four business lines include a range of activities designed to maintain and improve the health, safety and well-being of Canadians. Without a strong federal role in health we would have no national standards or processes to ensure the safety of Canada's food supply, its medical devices and drugs. There would be no national public intelligence to protect us from the emerging infectious diseases which are becoming increasingly common and increasingly complex.

The Department of Health is certainly vital to the fabric and daily life of the nation. It helps ensure the safety and well-being of Canadians from coast to coast and makes important contributions to the nation's productivity, competitiveness and prosperity.

I am proud to go on record in supporting this bill.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I listened with interest to what my hon. colleague just said. I appreciated the listing of the various mandates of the federal health department but just the same we must wonder what it is doing there. Why is the federal government once again interfering in an area of provincial jurisdiction?

Incidentally, I would like to quote two women who can hardly be accused of being sovereignists. Mrs. Robillard is currently a member of the federal cabinet but she was Quebec's health minister in 1994. On September 27, 1994, she was quoted in *La Presse* as saying: "The federal government's conduct is appalling. How can they consider changing the health system without asking the provinces, which are responsible for providing the services, to participate? That is just not acceptable."

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The other woman is Thérèse Lavoie-Roux, who, on May 31, 1994, said that the government was wrong in disregarding the role played by the provinces. She added: "Why were the provinces not invited to participate in the forum? Are they not the main players in the area of health? Does the government leader think it is appropriate for the government to act unilaterally in a matter of provincial jurisdiction?", she asked.

• (1255)

I wonder why the federal government keeps on interfering stubbornly in this particular area. This is obviously an area which could pay handsome dividends, come election time. Some areas are more important, more strategic than others and health is one of them. If only the federal government was responsible, as it should, it would recognize from the start that it has no spending power in that area and would therefore not spend money there, but rather let the provinces look after these matters, thus preventing the kind of duplication we are currently experiencing. So, how can the hon. member justify that his government's interference in this area, if not because of purely political motives?

[English]

Mr. Vanclief: Mr. Speaker, it is certainly not something to win votes. The hon. member needs to recognize it is a Canada health act. The role of the federal government is to ensure all Canadians are treated the same way, that all Canadians have access to the same treatment as anyone else.

If the provinces in some cases wish to duplicate or add to those services as far as informational services are concerned, that is certainly up to them to do so. I would question whether that is necessary all the time.

If we look at the intelligence, the information the federal government makes available to Canadians, the government certainly feels it has an important duty to inform Canadians. No matter what the issue, all Canadians want to know from the same source if possible what the health and safety standards are in Canada, what the medicare standards are, what they can receive for medicare if they move from one province to another province. That is the role.

We have shown very clearly over the years this is the wish of Canadians. We in the government are determined to maintain that for all Canadians so they know its full value.

[Translation]

Mr. Crête: Mr. Speaker, the purpose of the forum on health is to improve the health of Canadians and to increase the efficiency and effectiveness of health care. Can the hon. member, who believes the Canada Health Act requires the government to ensure that Canadians across the country enjoy the same quality of health care, tell us if, in light of its systematic withdrawal amounting to millions and billions of dollars, the federal government is not managing an empty shell?

Despite imposing national standards and gradually withdrawing financial support, the government now requires the provinces, which are providing the services, to comply with national standards without giving them the means to act in this area. If the federal government really wanted to carry out its mandate in this regard, should it not stop collecting the taxes allocated to health care and allowing the provinces to act in this area, thus giving them access to more money so they can provide adequate services? Will the health forum help improve in any way the quality of health care provided to the people of Quebec and the other provinces? I doubt it.

[English]

Mr. Vanclief: Mr. Speaker, the hon. member and some of his colleagues should realize and admit that as a country, whether on health issues or any other, we will continue to be strong by working together.

If the hon. member is saying federal dollars for health should be handed over to each province and each province should do its own willy-nilly thing as far as health care is concerned, I am sorry, but he is speaking to the wrong government. He is speaking to Canadians who do not want to hear what he is saying.

Canadians have made it very clear to all of us that they recognize we do not have as many dollars as we once thought we had. We have to be doing more with less or at least as much with less in the future.

Only by sitting down and talking in forums such as the national health care forum with representatives of the federal government, the health care industry, the health delivery service and people in the provinces can we put our heads and available funding together, federally and topped up if necessary from the individual provinces, to provide what all Canadians have made it clear they want and having it made available to them in every corner of the country.

• (1300)

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I rise today to speak to Bill C-18, which would formalize the reorganization of the Department of Health.

As Reform's deputy health critic I will speak in support of the bill but before I do I would mention that the bill in our minds is simply just another shuffling of bureaucrats. It is taking up the expense and time not only of Parliament but more important, taxpayers' dollars, as signs are shifted on doors and offices are relocated. This is another example of phantom legislation the government will say is actually doing something, rather than making substantive changes for Canadians.

Of course, every member of the House would admit that health care and our health system is of very real importance to all Canadians. Health Canada is under the scrutiny of Canadians. A

very real concern to Canadians is the sustainability of our health care system.

The federal role in the health care system is very real. A part of that role is federal funding to the provinces. I would say that the government has failed Canadians in that role. Canadians are feeling the effects of the cutbacks from this place. For instance in Manitoba, health care workers are on the streets protesting changes which have been deemed necessary and are a direct result of decreasing and unpredictable federal funding. This place has offloaded its debt to the people who will be hurt the most.

The current health system is not working and it will continue to worsen. The government refuses to recognize this fact. It refuses to hear about it.

The Reform Party wants to assure Canadians that they will have a sustainable health care system. All Canadians should have access to health care services regardless of their ability to pay. We in the Reform Party care about the system and we are prepared to work with Canadians to find ways to make the system better.

I have a broad concern that surrounds the bill and the functioning of our government. Fundamental to our system of government is the principle of ministerial accountability and responsibility. Not only is the recognition of this principle vital, the practice of it is crucial to another principle, that of good government which our system is intended to provide for the betterment of all Canadians.

Even though the bill is housekeeping legislation, Reformers support it because it has been amended to take this principle into account. At report stage we supported an amendment which instilled this principle in the bill. It was not contained in the previous version which the government drafted and presented to the House for its consideration.

There is a litany of examples demonstrating the need for the principle and practice of ministerial accountability and responsibility which are specifically related to Health Canada and the health of Canadians. I will mention a few.

Recently we heard of the mismanagement within the health protection branch of Health Canada. The mismanagement of our national blood system by the bureau of biologics has led to a tainted and compromised blood supply which has infected thousands of Canadians with HIV and hepatitis C. An issue related to this is that of the Krever inquiry which is examining the failure of the management and oversight of our national blood supply system.

• (1305)

Last week in a statement to the House I criticized the government and the health minister for failing to uphold his ministerial responsibilities. It was revealed that the federal government is paying the legal bills of two former ministers involved in this

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tragedy while giving very minimal legal support to victims and their families who are trying to pursue the truth in the courts on this matter.

What has been the response of the government and the health minister? He has joined a chorus of those who are legally challenging the legitimacy of this inquiry. Instead he should be safeguarding the mandate of the inquiry and facilitating a full report on all matters relating to this most important issue. By doing so he could actually fulfil his responsibilities to the crown, the House and most important, the Canadian people. He has chosen to do otherwise.

A third and final example of where the practice of ministerial responsibility is required is related to the fiscal management of the department and the allocation of our increasingly scarce health care dollars.

Since I was appointed Reform's deputy health critic, one observation I have made is the imbalance and inequity in the department's and the government's health care spending priorities. This became clear to me when I was on the subcommittee on HIV and AIDS which studied the national AIDS strategy. I discovered an imbalance in federal funding for diseases in relation to the incidence of various diseases and the toll they inflict on our society.

For instance, in 1994-95 the federal government spent \$43.4 million on the national AIDS strategy while only spending \$4 million on breast cancer research. Compare those funding levels with the incidence rates of these diseases and the deaths inflicted on society. Since 1980 there have been approximately 10,700 HIV cases with 7,400 deaths from AIDS in Canada, while in 1995 alone almost 18,000 families will have a loved one affected by breast cancer and a total of 5,400 dead.

I have received letters from across Canada on that very issue. The government must be held responsible for how it allocates health care dollars. The imbalance of those figures speaks volumes in this place and across Canada.

It is clear this government and the health minister must be held accountable for their decisions, the management of our health care system and the health care policies which have been their track record to this date. The principle of ministerial accountability and responsibility is so fundamental to our democratic system of government that we must all remain vigilant and uphold it. I intend to hold the government and the minister accountable for his ministerial responsibilities.

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, Canadians and Nova Scotians in my area continually want to know what the third party's official platform position would be on health care.

In September 1993 we heard the leader of the third party say that his party supported user fees and deductibles and would eliminate universality. He said that in *Canadian Living*. Then in October

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1993 the Toronto *Star* reported that Reform was opposed to private health care and user fees. The member for Macleod said in the House on October 17, 1995 that medicare was bad for everyone. On November 23, 1995 he said that medicare was important to all Canadians.

Where does the hon. member feel the federal government has a responsibility with regard to our health care system?

Mrs. Hayes: Mr. Speaker, as a member of this House and as a public figure, my response to items I read, particularly in some papers, is not always reflective of the actual thrust or intent of what was written. It is good to have the opportunity to say straight out what positions we hold without having it go through the sieve and the contortion which can happen in the media.

• (1310)

I will repeat what I mentioned in my speech. Reform's bottom line is that we would like a medicare system which guarantees access to needed health care for all Canadians regardless of their ability to pay. That is our bottom line and it is what we are seeking to find. The system right now is crumbling and the federal government refuses to recognize this fact.

People are on the streets striking because of federal funding cutbacks. We say that the federal government does have a place in funding medicare and ensuring the health care of Canadians. The funding should be predictable and constant. It should not be, as it has been, something that is being continually eroded through time so that the provinces cannot themselves make the plans and create the necessary approaches for proper health care. There should be a place for federal government funding but it should be predictable and sustained over time so that it becomes what is needed by the provinces to make their plans to meet the needs of the public.

Beyond that, we believe that health care needs to be looked at and certainly opened to public scrutiny through discussions with the various stakeholders and the provinces. In that way we can find the means that will actually create a system that will be there for all Canadians not only today but in the future. Right now that is not the case and it will not be the case unless we open up health care to the scrutiny of those people who are involved in it.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, I listened very carefully to the speech of the Reform Party member. Sublauses 4(1) and 4(2) of Bill C-18 give the minister extended powers to act in every area related to the promotion and the preservation of the health of Canadians.

These two provisions give the federal government the authority to interfere in an area which comes under the exclusive jurisdiction

of the provinces. As everyone knows, when the federal government gets involved in areas of provincial jurisdiction, it is very costly and it results in waste.

For example, the national forum on health, which the government decided to hold without the provinces' participation, is a useless effort, precisely because the provinces are not participating in it. I want to ask the hon. member what she thinks of these two provisions which grant extended authority to the minister. As I said, this is a source of waste which we cannot afford right now.

[*English*]

Mrs. Hayes: Mr. Speaker, certainly a great concern of Reform is duplication of federal and provincial powers. We agree with our Bloc colleagues that any costs incurred in doing the same thing twice is not worth the doing. There has to be a clear delineation of federal and provincial powers. As I look at the estimates for this year—we are now in the process of looking at the estimates within the health department—I see very great problems and greater encroachment on provincial jurisdiction in the name of health.

• (1315)

For instance, in the estimates there is an indication through the health window that the federal government is encroaching on the education system in the area of sex health education. The federal government has guidelines for kindergarten through to grade 12.

What my colleague has suggested is of great concern to me. I go back to what I referred to in my speech, and that is ministerial accountability. The minister is responsible for what is done, how it is done and who pays for it. If it is a duplication of service, I would be the first to say that it is not an appropriate expenditure or effort for this place if it is a provincial responsibility. Certainly jurisdiction has to be taken into consideration and should be a very real concern for members of Parliament.

Hon. Roger Simmons (Burin—St. George's, Lib.): Mr. Speaker, I am pleased to speak on the third reading of Bill C-18. This bill is not earth shattering in what it does. It does something which is very important nevertheless.

Mr. Thompson: It is typical Liberal legislation.

Mr. Simmons: My friend from Wild Rose is informed, as usual.

I say to him and others that this bill will create the new Department of Health. The old department was called national health and welfare and this bill together with the one dealt with the other day affects the change.

This bill confirms the mandate of the minister regarding the promotion and preservation of the health of Canadians. Health is a matter that affects Canadians very deeply. Our medicare system has come to be part of the way in which we see our country. We

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believe that the federal government has an essential role in medicare and in safeguarding the overall health of the Canadian population.

In this time of change to our health system, many people want to know where the federal government stands on health issues. Canada's health system will continue to rely on the interlocking responsibilities of federal, provincial and territorial governments. That is why in the recent budget of March, the government went a long way toward providing provincial and territorial governments with stability and predictability in health funding and other social services of \$25.1 billion each year over a five-year period, comprising a tax floor that had been requested by the provinces and tax transfer points.

• (1320)

Health Canada bears the overall responsibility for protecting and encouraging the health and safety of Canadians through promotion and prevention activities at the national level. It assesses the safety of drugs and medical devices. It deals with issues such as the potential impact on Canadians of exotic viruses or the re-emergence of public health threats such as tuberculosis. It encourages healthier lifestyles and active living.

The federal health department also supports the health system through funding for research as well as financial and technical contributions to provincial health systems. The federal health department arranges health care programs and services only for specific categories or groups of people who are a federal responsibility such as status Indians and the Canadian Armed Forces. Otherwise, the federal department is not a delivery agent for health care. That lies with the provincial and territorial governments. They have the primary responsibility in the area of health care delivery. They design and manage the system that most of us as Canadians use. However, the federal department does play an important national leadership role in health that Canadians see as essential.

Health issues figured very prominently in the Liberal Party's red book in the last federal election campaign. For example, a head start program for children of aboriginal families living in urban centres and large northern communities was promised. A number of projects under that program have already been funded.

Action on prenatal nutrition programs was also promised in the red book. They are being delivered through the community action program for children.

There are other commitments on which the government is acting but I will talk about them a little later. What is common to all of those initiatives is their national scope and the value of national action on each of them.

Of course this work also involves financial support for the health care system for the provinces and the territories, as I said a moment ago.

Federal health contributions have evolved over the last four decades from cost sharing arrangements to block funding transfers to the provinces and territories. Since 1984 the Canada Health Act has set out the five criteria that provincial and territorial medical insurance plans have to meet to qualify for federal support.

These five criteria are worth repeating here today. The first principle is universality. The Canada Health Act supports provincial health insurance systems that cover all eligible residents.

The second principle is accessibility. Services must be available without financial barriers. People must be given health care on the basis of need, not on the basis of how much they can afford to pay.

The third important principle is comprehensiveness. If a province defines a service as medically necessary, that service must be covered completely.

The fourth principle is portability. Canadians with coverage in their home province or territory maintain that health plan coverage when they travel or when they move. This is a very important principle, like the others, given the mobility in this country at this time, the number of people who move from jurisdiction to jurisdiction, from province to province and from province to territory.

The fifth principle, together with the ones I have mentioned, universality, accessibility, comprehensiveness and portability, is public administration. It means that the health insurance plans of a province must be administered and operated on a non-profit basis by a public authority. That, to me, is the one some of the provinces either have difficulty understanding or difficulty wanting to live with. That is one of the five principles that we on this side of the House are committed to continue to enforce, the principle of public administration.

• (1325)

The government takes these five principles very seriously. It has resisted the false claims that watering down the act is the only way forward. Canadians want the health insurance system they have built during our lifetime to continue. They do not want to see a two-tier system and I do not want to see a two-tier system either.

Canadians understand that medicare has been a great social benefit. It has been one with very strong economic benefits as well. It is an efficient, effective program for providers, hospitals and for

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Canadians. In fact, the average man or woman knows this reliability better than some commentators. We are better off thanks to medicare. That is why the federal government has defended the Canadian system of health insurance so strongly.

The government has been equally clear that it believes the health system needs to be reviewed. Canadians know the economic issues facing the health system. Make no mistake, they are the same issues in the United States and in other developed countries around the world. Many countries face issues such as rising costs of care, the emergence of new health needs, aging populations, the appearance of new medical technologies, drugs and other factors. We are all asking where the money goes.

As a country we face more challenging health issues. For example, all Canadians agree that tobacco is a major health issue. The Supreme Court of Canada has affirmed that smoking consumption in this country causes deaths of the order of nearly 40,000 each year. Remember that smoking is a costly exercise to the Canadian economy. The estimated cost to the Canadian economy is \$11 billion a year. This figure includes the costs to the health care system and the overall loss of productivity for Canadians as a whole.

The federal government is determined to work with its provincial counterparts as stakeholders to bring forward a comprehensive and focused package to address the tobacco issue.

There are other concerns. I have mentioned the tobacco issue. There are women's health issues for example. It is an important priority for the government and I am sure it is for provincial governments and stakeholders alike. It is time to address key issues surrounding women's health.

There is the issue of new reproductive technologies. Some who may have followed this issue will recall that the previous administration sponsored a Royal Commission on New Reproductive Technologies which contained numerous recommendations. This administration is now considering these recommendations. The government hopes to be able soon to move on a number of those recommendations in a substantive way. Members from all parties in the House have called for action on the issues of new reproductive technologies, of women's health, of tobacco. There have been calls from all over and the government is acting on those issues.

We must begin to consider what will become of the health system down the road. We know that spending more on the status quo is unlikely and that direction would not give us much better health outcomes than we now have.

The international evidence is clear that spending more on health care does not mean better health results by itself. Why? Health care is not the same as health and people often wrongly equate the two.

• (1330)

The status of a person's health is determined by many factors which are in place long before he or she sees a doctor or is admitted to a hospital. Some are as basic as genetics. Others involve the economic, the social or the environmental conditions in which we live. Still others are grounded in lifestyle choices. All these are determinants of health.

Progress in improving health may owe far more to living in an economy which produces good jobs or programs that help people live in proper housing surrounded by a clean environment. They are reasons for us to invest in effective health protection and promotion measures, ones that result in people making better health choices.

Health care is not enough, but it is important. Our question is how to achieve the best health results possible with the money that we have. This renewal process has been under way now for a few years. The challenge for all of us is to break out of the traditional box of health thinking. It will mean change. Community based health service centres and multidisciplinary team approaches to health care are changing the landscape of health care delivery.

The increased awareness that good health begins long before a visit to a doctor will mean an increased emphasis on the education of health consumers and preventive medicine. People will need to learn what physicians can and cannot do for them. People will need to learn how much they can take charge of their own lives. These steps are each part of a broader evolution of our health care system.

Canadians trust their health care system. They expect the federal government to support and defend that system, especially the fundamental principles on which medicare is based. That is why we need a strong federal Department of Health and why I am encouraging members of this House to support the bill before us today.

I mentioned a moment ago the issue of determinants of health. We in the Standing Committee on Health which I have the honour to chair are doing a study on the determinants of health as they relate to younger children. It is an important issue.

We in this Chamber and elsewhere are aware that poverty for example is a real determinant of health for people. We have direct correlations between poverty levels and such matters as the rate of suicide among people. Poverty levels and achievement in school are two areas where poverty impacts on other outcomes. The all-party health committee of the House is now undertaking a rather in depth study of this issue to see what needs to be done and is not currently being done in the area of children's health.

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The bill before us is not one that is terribly earth shattering but Bill C-18 is an important piece of legislation. In the jargon of the House it is considered only a housekeeping bill to put in place the necessary statute to allow the department to function.

I am rather delighted that the current Minister of Health is my good friend from Cape Breton. Already in the short time he has been in the portfolio I have watched with some satisfaction his commitment to the serious challenges we face in health care and his determination to do something about those issues. He is a good spokesperson for the issues. I certainly wish him well, together with his parliamentary secretary from Eglinton who has just taken on that responsibility.

• (1335)

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, on first looking at the bill to establish the Department of Health, one might think that it was a housekeeping bill, that it was quite ordinary, since there was at one time a department that looked after social affairs, welfare and such things. One might also tell oneself that the federal government had already played a role in this field and that this was probably just an update.

But it is also an opportunity to look at what the federal government has to do and what its responsibility is in the health sector. For this, we must look back at the origins of our health system. In the past, because of its spending power, the federal government contributed to the development of programs that, while they must be recognized, often paralleled those run by the provincial governments.

Today, these prosperous times are pretty much over and we are facing a completely different situation. The federal government is reducing its spending on health by billions of dollars, but insists on maintaining national standards. It is determined that the rules should be the same throughout Canada.

The way the government has found to ensure this is by creating a department, by means of the Canada Health Act, which sets these standards. But it is like anything else: to keep the thing going, you need the corresponding funds and an effective way to put them to use.

I think that the best example of very inappropriate interference by the federal government in this sector is the creation of the National Forum on Health. What is the National Forum on Health? It is a group of specialists appointed by the federal government with a mandate to improve the health of Canadians, increase the efficiency and effectiveness of health services, and formulate related recommendations for the government. It is a forum with a multi-million dollar budget.

The problem is that this forum is looking at a provincial field of jurisdiction, because in Canada the everyday management of health is a provincial responsibility. When there is a problem in a hospital or community health centre or any other kind of health problem, it is the provincial government that is responsible. It is to the province that people must address their questions and inquiries as to why things are not working or their praise when things are working as they should.

The federal government, meanwhile, gives itself the right to meddle in this area by assigning to the forum the very general mandate of improving the health of Canadians and increasing the efficiency and effectiveness of health care. Unfortunately, the provinces were not invited to participate in this forum as full-fledged members. How can the federal government assess the quality of Canadians' health without allowing the main players to participate and have their say in this? This forum has a budget of several millions of dollars and, when we see how difficult it is to fund health care across Canada, we cannot help but think that these millions of dollars could have been better spent elsewhere.

I know that if the people in my region had received any of this money, they would have known exactly what to do with it. Given the need to restructure the system, to reduce the number of beds for seniors, to convert hospitals, if money had been available, if the federal government had withdrawn from health care and allowed the provinces, including Quebec, to act in this area without increasing taxes, interesting solutions could surely have been put forward.

Why is the federal government stubbornly meddling in this area even though it does not have the money to do so? One cannot help but wonder if this has anything to do with the significant impact of health care on voters. Of course, a government with the power to spend as it sees fit, a power only limited by its capacity to borrow, may be tempted to meddle in areas likely to improve its chances of re-election, in areas that may improve the government's image but are none of its business.

For instance, the federal government has a strategy for the integration of people with disabilities, while Quebec has the Office des personnes handicapées du Québec. This is an obvious case of duplication since it is impossible to act in an area like this without part of the budget going to administration. Had the money allocated to the strategy for the integration of people with disabilities been transferred to the provinces, all the money could have gone straight to the handicapped, since most of the administrative costs would already have been borne by the existing bureaucracy.

• (1340)

At the same time there is a federal strategy on violence, an anti-drug policy, an AIDS strategy, the children's bureau, an anti-smoking strategy, all areas in which provincial government take similar action and that require dialogue between the two levels

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of government, if duplication is to be prevented. Interface committees have to be established, which involves operating expenditures, but these committees do not provide services directly to the public.

This is important, especially since individual citizens are wondering these days why the system costs so much to operate. Are doctors, the nursing staff or those providing services on the front lines in the hospitals overpaid? Or are there not clearly savings to be made at the administrative level?

When the federal government acts in exactly the same areas as the provinces, we must ask ourselves who is responsible for these areas under the Constitution. It is clearly stated that health matters come under the jurisdiction of the provinces. So, under the cover of an innocuous bill, the federal government is once again meddling in the provinces' affairs. In that sense, it is not playing the role it was intended to play, it keeps interfering in an area over which it does not necessarily have jurisdiction and it could even take conflicting action in certain areas.

There is also an element that is more tendentious, in a sense: federal interference in the form of national standards. This leaves the provinces, who are facing budget cuts, with the unpleasant task of making choices, taking into account population dynamics and ageing. They deal directly with clients and have to make choices in terms of direct service, but at present they do not have all the leeway they could have on behalf of those clients, because spending power in this specific area is in the hands of another level of government, which interferes indirectly.

We are also faced with a somewhat absurd situation. In past decades, the federal government invested a lot of money in that sector and a number of programs were created. Now, we no longer have the means to fund these programs. However, the federal government would never say that it is because less money is being given to the provinces.

It invokes the need for national standards to justify telling the provinces that they must somehow find a way to meet these standards. This puts the provinces in situations which can sometimes be absurd, given that they have no money for certain programs, while spending could be reduced in other sectors, but is not.

Imagine a federal government that would only get involved in those areas for which it is responsible. Imagine the latitude that provinces would have from a taxation point of view, to look after their own areas of jurisdiction. The federal government would then simply have to assume its own responsibilities.

In such a situation, federal cuts affecting national defence could be used by the central government to fulfil its responsibilities. However, withdrawing from an area such as the health sector could

also be a way to reduce the size of the federal government, which spends about \$1 billion in that sector, even though it does not come under its jurisdiction.

Let me stress my point by mentioning again the areas in which the federal government is involved. There is the issue of family violence. As you know, family violence is the result of a whole set of situations. The Government of Quebec, among others, has implemented policies to deal with this issue. However, federal initiatives do not necessarily complement these policies and there is room for improvement in that regard.

The Bloc Québécois' position on these issues is not necessarily held only by Quebec sovereignists, or like minded proponents of independence.

• (1345)

As an example, I give you Lucienne Robillard, now a federal minister. At the time, she was Quebec's health minister. On September 27, 1994, she told *La Presse*, and I quote: "The behaviour of the federal government makes no sense. How can the health system be overhauled without involving the provinces, which are responsible for the delivery of services? It is quite simply unacceptable".

I think that says it all. These are the words of the minister, who was a minister in a provincial Liberal government, a federalist provincial government, in reference to the national forum on health on September 27, 1994.

In the same vein, Thérèse Lavoie-Roux, a senator, told the Senate on May 31, 1994 that the government was wrong to neglect the role of the provinces. She asked the following questions, and I quote: "Are the provinces not considered major partners? Why were they not invited to participate in the forum? Does the government leader find it appropriate for the government to be acting unilaterally on a matter of provincial responsibility?"

We must remember how it was that the national forum on health came about. The Prime Minister invited the provinces to take part in the creation of this forum. Talk about hard to believe. Here we have a provincial field of responsibility, and the provinces are relegated to a position of listening to what is going on but not allowed to voice their views, to make suggestions for improvement. Perhaps it was feared that the provinces might indeed make some suggestions. Perhaps the provinces ought to have joined forces to state that the best thing would be for the federal government to pull out of this area and to turn the available funds over to the provinces for their own use.

Despite provincial opposition, despite opposition from such people as the senator, despite submissions from everywhere in Canada, the federal government has decided to continue, to go ahead with its project, to create the national forum on health, solely

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for the purpose of meeting the campaign promise that had been made.

How effective was the forum? Are there many people who have seen concrete solutions offered by the forum? Are the millions of dollars spent in this sector being used to improve Canadians' health, as the mandate given it by the federal government would have it?

What more needs to be said to make it clear that the federal government is involved in an area it does not necessarily have any business being involved in? In the bill it is indicated that it could not intervene in areas that are already governed by the health authorities, yet these are described elsewhere in the bill as authorities with which it may have dealings.

In the last budget, the government decided to create a research centre in this area, once again an action that appears totally praiseworthy at first. We are told that health research is really very important, will lead to the develop of new drugs, will help people be healthier.

But if we look a bit further, we see that the provinces have the same mandate. There will be overlap in spending at a time when we cannot afford to do that.

When asked where to cut, we answer: "Eliminate overlap". Health is a case in point, a clear case where the federal government should be made to withdraw from this area. Before passing a bill establishing the health department, in its present form, before granting the minister, as in clause 4, extremely wide powers to take action, we must question the real scope of the clause.

Clause 4 deals with the powers, duties and functions of the minister with regard to health, including:

(a) the promotion and preservation of the physical, mental and social well-being of the people of Canada;

I think that some provincial health ministers must have wondered who was responsible for what when they read this clause.

Paragraph 4(2)(b) says:

(b) the protection of the people of Canada against risks to health and the spreading of diseases;

• (1350)

In this case, the federal government can always invoke the national interest and the federal power related to law and order, and good government to step in to protect the health and safety of the people of Canada.

The concept of good government is an interesting one, but one which is open to abuse. Perhaps this bill should have been better framed, better defined, to state clearly in which fields the federal government is allowed to take action and to limit it to those.

For instance, when we talk about health care for natives, we realize that the Constitution provides the legal basis for action. But when we talk about getting involved in people's health in general, we realize that under the Constitution, this is under provincial jurisdiction, and we question whether it is legitimate to keep on interfering in this area.

As a matter of fact, had it not been for the possibility, in the beginning, in the sixties and seventies, to use the spending power, that is to tax citizens to provide them with services in order to make the federal government more visible, it is unlikely that such interference would have occurred.

After the second world war, the federal government realized that with the power to levy taxes it had increased through income tax, it wielded great political power. So it tried to implement a universal, Canada-wide health system to provide the same services all over the country. However, there are different regions in Canada and, since there are two levels of government, different provinces can make different choices according to what their citizens want.

The power the federal government wields, through national standards, allows it to try to impose the same behaviour to all provincial governments, but this is not necessarily good. If Quebecers and Canadians had wanted that, they would have said so and the Constitution would provide for this area to come under federal jurisdiction, but it is not the case. This is not what is in the Constitution.

For many who are involved with federal programs the reality is always the same. Take, for example, the new horizons program. The orientation of that program has changed from year to year, at the whim of successive governments. There were years where seniors' clubs in various municipalities were able to buy very useful equipment. Suddenly, last year, the program changed direction, but the connection between that change and the needs of the people was not at all clear.

Today, the new horizons program is aimed at specific clients who would be in a difficult situation. I do not know if members see the direct link there is with the local implementation of CLSC policies. Local community service centres have mandates to help seniors, but they do not have the financial resources of such programs as the new horizons program; they see this as federal involvement that, often, goes against their own action. There are fields of activity where the action of the federal government may go directly against the action of the provinces, and it is very difficult to understand exactly what the federal government's objective is, in that regard.

There are other fields of activity. For instance the fight against AIDS and drug enforcement. In the past, there were different approaches according to different governments. The federal government might prefer a more punitive approach. The provincial government might prefer an approach that will correct behaviour patterns. In the case of young offenders, for example, we have seen

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provincial governments—the Quebec government, among others—put in place systems such as the Direction de la protection de la jeunesse, and different sectors where crime has been greatly reduced in Quebec. This has a direct link with to the health issue.

If the federal government chooses a totally differing line of action, then it is a disservice to the people, and services are not as efficient as possible.

• (1355)

In conclusion, I think that, in this era of dwindling financial resources that calls for very wise choices, the federal government—instead of creating a department like the Department of Health and meddling in areas of provincial jurisdiction—should consider withdrawing from health care and transferring the money to the provinces so that each of them can provide services that meet the needs of the people.

A province with a widely scattered or a sizeable rural population and one with large urban centres can make very different health choices. It might be unwise to try to impose the same standards on both.

This is also directly linked to the provinces' respective policies regarding development and other matters. Health is not simply a matter of spending money on drugs. It is the result of the actions taken by the various stakeholders in society.

I think that, in the past, the federal government's actions in the area of health, because of the amount of money available, led to the development of some worthwhile programs. Today, however, its attempt to impose very high standards while at the same time reducing the amount transferred to the provinces so they can provide these services puts people before a difficult choice, as the federal government will be assessed on the basis of its programs.

People put pressure on the governments to develop programs against family violence, for instance. Yet, the provinces, which are responsible in this area, cannot afford to take action, because the federal government does not give them the means to do so. Taxpayers are stretched to the limit. In the end, people are in no position to assess the quality of health care. They tend to blame the government providing the services, when the cuts are made by the government that continues to collect the taxes without providing the expected services.

[English]

The Speaker: It being almost 2 p.m., we will proceed to Statements by Members. I know full well the member for Calgary Centre is itching to get to his feet, and he will be the first speaker when we resume.

STATEMENTS BY MEMBERS

[English]

YTV ACHIEVEMENT AWARDS

Mrs. Georgette Sheridan (Saskatoon—Humboldt, Lib.): Mr. Speaker, I rise today to pay tribute to 36 young Canadians who are recipients of the seventh annual YTV Achievement Awards and to welcome them to the national capital region.

These outstanding young achievers were chosen from among 1,500 nominees across the country. Each one has an incredible story to tell. Some have been recognized for their bravery, others for their public service or even their entrepreneurial skills. Among their numbers are writers, visual artists, dancers, musicians, singers, actors, athletes, but all have been recognized by the YTV Achievement Awards for these talents.

As a member of Parliament for Saskatchewan, I offer my congratulations to all these young Canadians, with a special tip of the hat to Mr. Shane Cuddington, 17 years old from Manor, Saskatchewan, a constituent of my friend and colleague, the member for Souris—Moose Mountain.

Shane has been recognized for his entrepreneurial skills, having started a landscaping business providing an ever increasing and more specialized variety of services to some 200 clients.

Shane will be among the award winners at the YTV awards to be broadcast live on Sunday, April 28 from Toronto.

* * *

[Translation]

CHAVIGNY JAZZ V BAND

Mr. Yves Rocheleau (Trois-Rivières, BQ): Mr. Speaker, as the member for Trois-Rivières, I would like to pay tribute to the Chavigny Jazz V band, from École secondaire Chavigny of Trois-Rivières-Ouest, which won many awards last March at the All American Music Festival, a North American competition which was held in Orlando, Florida, and in which approximately 20 bands took part.

Chavigny Jazz V won first prize in the jazz band category and also won first prize overall. The band's musical director, Michelle Bourassa, was awarded the title of best musical director.

• (1400)

This success is the result of five years of efforts, during which Chavigny Jazz V consistently beat the competition in Quebec.

Congratulations to the 20 member band, to Mrs. Bourassa and to the parents without whose dedication this great accomplishment, which is an honour to all Quebecers, would not have been possible.

* * *

[English]

ENDANGERED SPECIES

Mr. Paul Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, last year the Deputy Prime Minister proposed an endangered species act. She claimed it would help prevent Canadian species from becoming extinct. The difficulty is that the proposal only covered 4 per cent of all of Canada's land and it failed to consider the most important aspect, species habitat. Habitat protection must be the cornerstone of any endangered species legislation. There is no other way.

Last Thursday, 16 new species were added to Canada's growing list of species at risk. Canada's new environment minister wants to make us believe that his government is working toward sustainable development except his words are meaningless unless he can assure Canadians that a new endangered species act will stop further species from becoming extinct.

Today is Earth Day, a day first conceived by environmentalist John McConnell who said that such a day is needed to "celebrate the wonder of life on our planet."

The minister should proceed carefully to preserve the many wonders of life in our country.

* * *

EARTH DAY

Mr. John Maloney (Erie, Lib.): Mr. Speaker, today Canadians celebrate Earth Day with tree plantings and environmental events across our vast country. More than ever before we must as individuals and as a country take responsibility to preserve our planet for future generations.

Allow me to present Erie riding's must list. We must work together to prevent toxic chemicals from entering our air, soil and water resources and to eliminate pollution of every nature everywhere. We must protect our ocean habitats and fish stocks. We must harvest our forests prudently taking care to preserve old growth areas. We must undertake extraction of our mining resources with minimal effect on our fragile ecosystem. We must take all measures necessary to protect our endangered plants and animals. We must use our energy sources wisely and efficiently. Finally, we must contribute to an international plan to reduce global warming.

We have so much to do and so little time. I urge all Canadians to make every day Earth Day.

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TRUTH AND RECONCILIATION COMMISSION

Mr. Elijah Harper (Churchill, Lib.): Mr. Speaker, last week Archbishop Desmond Tutu opened hearings of the Truth and Reconciliation Commission which was mandated by the bill entitled "Promotion of National Unity and Reconciliation" under the democratic Government of South Africa headed by President Nelson Mandela.

The purpose of the Truth and Reconciliation Commission is to look into the gross human rights violations and atrocities in that country, not in search of vengeance but in search of truth, forgiveness and reconciliation. This is not easy work. This was demonstrated by the painful testimony of torture and abuse the commission heard last week.

Last month in Cape Town I had the honour of meeting with Archbishop Tutu. I presented to him the statement of principles and priorities and the reconciliation proclamation that were adopted by the Sacred Assembly held last December in Hull, Quebec.

I hope all Canadians will be inspired by the courage of the South African people.

* * *

TORNADO

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, on Saturday, April 20 a tornado touched down in my riding of Bruce—Grey. It struck the areas around Williamsford, Holland Centre and Walters Falls. The tornado demolished homes and destroyed property. My deepest sympathies go to the people who suffered property loss or personal injury. Thankfully, no one was killed.

I want to take the opportunity to console those who suffered loss and to pay tribute to those who have volunteered their efforts. Disasters often test the mettle and spirit of a community. I am proud to say that the people of Bruce—Grey have responded generously to those who have suffered damage. I want to recognize members of the Mennonite community who once again have displayed through their actions the true meaning of community spirit.

The damage caused by the tornado though severe is temporary. The goodwill and the strength and character of the people of Bruce—Grey in helping out those in need is an enduring quality of people in my riding.

* * *

● (1405)

THE DEFICIT

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, this weekend I travelled to three provinces talking to Canadians about building a better future and overcoming the threats to our collective prosperity. We also discussed the cost of Canada's most important social programs. For example, it costs 37 billion federal dollars to keep

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our health care and education systems going and to provide benefits for senior citizens.

This year interest payments on the massive federal debt dwarfed the cost of all these vital programs combined. Interest payments are at \$48 billion and rising. This is a scandal and the federal government bears full responsibility. The current government has added \$100 billion to our children's debt and this has increased our annual interest payments by \$10 billion per year since the Liberals took power.

Canadians I talked to realize the biggest threat to our future prosperity is the interest payments being racked up by the current government. This government has set no date to balance the books and is driving Canada into bankruptcy. Shame on the government.

* * *

EMPLOYMENT

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP): Mr. Speaker, Canada needs urgent action to address the plight of millions of unemployed and underemployed Canadians who have been left out and left behind. The jobless figures are a scandal with 1.4 million Canadians out of work and another 800,000 forced to settle for part time jobs.

The current government shows no sense of urgency. The only targets the government has set are inflation targets. Canada needs a serious commitment to attainable targets on income levels, unemployment rates, job creation and sustainable economic growth rates.

The government must adopt a twofold strategy which tackles, not creates, barriers to opportunity for Canadians, including banks with record profits which do not reinvest in Canadians or our communities, institutions which think short term, and employers who fail to train.

The government must use its power to intervene to promote economic development. What about the red book promise to create jobs, jobs, jobs? This government needs to answer the urgent need to get Canadians and Canada working again. The government has a role to play and it should perform it.

* * *

[Translation]

NATIONAL VOLUNTEER WEEK

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, National Volunteer Week is a time to thank those men and women who devote time and energy to helping those in need, promoting a good cause and improving the quality of life in our communities.

Volunteerism is a tradition as old as this country and it has played a key role in the development of Canadian society. By celebrating National Volunteer Week, we recognize the important contribution of today's volunteers. At the same time, by recognizing them as role models, we are seeking to encourage tomorrow's volunteers.

Special thanks to all those volunteering their services with the hundreds of organizations in my riding. In fact, let us salute volunteers across Canada. They are truly our greatest national asset.

* * *

REFORM PARTY

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, last week the Reform Party came to Manitoba to try to do something about its declining popularity in that province and elsewhere in Canada. Indeed, it now has the support of barely 10 per cent of Canadians, about a 50 per cent decline since the last general election.

According to a poll conducted by the Reform member for Edmonton Southwest, 55 per cent of his constituents feel that the Reform Party is too radical or extremist.

Don Benham, of the Winnipeg *Herald* wrote, and I quote:

[English]

"Reformers are just as much separatists as Bloc-heads, trapped in the same narrow view that define people by language and region".

[Translation]

This decline in popularity is logical since the Reform Party continues to reject and to condemn its more stable and moderate members, such as the members for Calgary Southeast and Calgary Centre.

The Reform Party is bound to fail because it insists on acting like a regional party frozen in the past and incapable of contributing to unity—

The Speaker: I am sorry to interrupt the hon. member. The member for Saint-Denis has the floor.

* * *

[English]

TERRORISM

Mrs. Eleni Bakopanos (Saint-Denis, Lib.): Mr. Speaker, the harsh realities of terrorism were once again brought home last week when a Canadian was among the 18 tourists who were massacred by a gunman outside their hotel in Cairo.

[Translation]

This tragic event reminds us that no one is safe from terrorist acts. Canada must continue to play a major role in the promotion of peace and to voice its opposition to terrorist acts.

[English]

I wish to express my deepest condolences to the family and relatives of Nick Petrou from London, Ontario as well as to the Greek government and the families of the 17 Greek citizens who were also among the victims of this tragic incident.

Canadians will mourn the loss of these innocent victims. Terrorism in any form must be condemned and punished.

* * *

• (1410)

[Translation]

EARTH DAY

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, I am pleased to point out that today is Earth Day, an event celebrated throughout the world and whose theme this year is health.

We have all learned at our expense that our health and that of our children are inextricably linked to the quality of the environment that surrounds us. Urban pollution, the presence of heavy metals in water and the thinning of the ozone layer are only a few of the problems that affect our lives.

We must all realize that government regulations, laws and policies alone will not ensure the sustainable development of our economy and of our society.

Each person, community and business must undergo a change of attitude in order to stop jeopardizing the health of future generations. Each has the means to act quickly. It is up to us to make good on our commitments.

* * *

PROVINCE OF SASKATCHEWAN

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, I am very disappointed that the government would not recognize my home province as a distinct society.

The Minister of Intergovernmental Affairs wants to call my dear province of Saskatchewan “the principal homeland of the English, Mennonite and Ukrainian fact in Canada”. I reject this notion as it goes against the legitimate aspirations and traditional claims of people where I come from.

With our rusty four wheel drive pick-ups, our “John Deere” baseball caps, our muddy boots and our bumper stickers that say

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“Damn Government”, we are obviously the most distinct society in Canada and we want to be recognized as such.

* * *

[English]

DANGEROUS OFFENDERS

Mr. Jesse Flis (Parkdale—High Park, Lib.): Mr. Speaker, last Thursday I attended a public meeting in my riding of Parkdale—High Park regarding the placement of pedophile Bobby Oatway in the Keele Street Correctional Centre.

Oatway, a third term federal offender sentenced 10 years for sexual assaults including rape, indecent assault, buggery and bestiality, was brought into our community from British Columbia with no prior consultation with the Citizens Advisory Committee. In fact there was no knowledge of his relocation from B.C. to our community until after his placement.

My constituents are enraged that this individual who has committed atrocious crimes against young children has been placed in a minimum security facility that is close to five elementary schools. Like any parent in this House given similar circumstances, these parents are concerned about their children’s safety and the potential denial of these children’s basic right to life.

My constituents will continue to hold rallies every Thursday at the facility until there is action from all levels of government to ensure the safety of their children.

* * *

[Translation]

VOLUNTEER WORK

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, this week is National Volunteer Week. According to a study carried out in August 1994 by a polling firm for the Fédération des centres d’action bénévole du Québec, almost 64 per cent of the population of Quebec did some volunteer work during the last 12 months.

Therefore, the federation urges governments, institutions and large companies to become more attuned to the financial needs of volunteer organizations and strongly encourages them to support volunteer work.

The Bloc Québécois considers most unfortunate the government’s decision to cut \$1.5 million from grants to community organizations. Grants to women’s groups have dropped by 31 per cent in the last 6 years, and the money saved may have gone to more crucial budgets, like the budget of the Council for Canadian Unity or the free flags program.

Oral Questions

[English]

NATIONAL VOLUNTEER WEEK

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, on the occasion of National Volunteer Week I rise today to thank the millions of volunteers working in communities across the country.

During National Volunteer Week we honour people like my constituents, Marion White and Elspeth Hogg, recent recipients of the Canada Volunteer Award. These constituents and countless other Canadians selflessly donate time and energy to people in need.

Over 13 million Canadians are volunteers and collectively we donate services valued at over \$16 billion. Our communities thrive because of these generous people, because here in Canada we care about our neighbours and are willing to work hard for the sake of our communities.

• (1415)

In honour of National Volunteer Week, I thank the many many constituents in my riding who give so freely of their time to hospitals, firehalls, schools and service clubs.

Volunteering is about commitment and caring. It is about the power of each one of us to make our world a better place. To all volunteers everywhere I offer my congratulations.

ORAL QUESTION PERIOD

[Translation]

SOMALIA INQUIRY

Mr. Michel Gauthier (Leader of the Opposition, BQ): Mr. Speaker, we learned a lot in the papers over the weekend about the Canadian army's actions in the Somalia scandal. We learn in fact a lot more from the papers than we do from the minister in this House.

On April 16, he said, and I quote: "This question casts aspersions on the Armed Forces and on the men and women who serve each day with distinction both at home and abroad. Everyone's reputation is being tarnished by incidents that occurred three years ago".

How could the Minister of National Defence talk in the House about events that happened three years ago, when he knew as he was making this statement here, following an investigation by military police, that documents were being illegally destroyed and falsified up to last September?

[English]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member is extending the type of questioning we heard last week. He deals with the question of the public affairs branch and the question of documentation.

As the hon. member knows, the Somalia commission will be commencing hearings on Wednesday on this problem. All of the answers the hon. member wants will be forthcoming at the commission.

[Translation]

Mr. Michel Gauthier (Leader of the Opposition, BQ): Mr. Speaker, the minister has responsibilities. He must exercise these responsibilities in this House when questions are put to him on behalf of Canadians who want to know what is happening. He cannot hide behind a committee, when he already knows the answers.

On April 15, the Prime Minister said that the events under investigation took place under another government. Clearly, the Prime Minister had not been informed by the Minister of National Defence that an investigation had been conducted within the army and that despicable events were known to have gone on until September.

Why did the Minister of National Defence not inform his Prime Minister that an investigation by the military police had already revealed orders had been given, under his command, to destroy and falsify documents, up to last September? Why did he hide this from his Prime Minister?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, clearly I carried out my responsibilities by setting up the commission of inquiry on Somalia. I would ask the hon. member to await the commission's deliberations. Once these deliberations are over, he will have all the answers he and the people of Canada want.

Mr. Michel Gauthier (Leader of the Opposition, BQ): Mr. Speaker, a commission of inquiry is usually called upon to investigate events of the past that continue to take place in the Canadian army. Events have occurred under the responsibility of the minister that warrant his action. The minister cannot hide behind a commission letting it assume his responsibilities for him. Things are happening right now.

How has the minister been able to hide behind the commission since the start of this affair saying that all issues would be examined, when he knew the identity of the military personnel who gave the orders to falsify and hide documents, officers who remain in positions of responsibility and whom he has not yet sanctioned as his responsibilities would require him to do?

Oral Questions

• (1420)

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I ask that the hon. member read the terms of reference of the commission of inquiry on Somalia.

In the terms of reference, which I quoted from last week, there were the terms “cover-up”, “missing documents” and “tampering of documents”. This terminology was used in the original terms of reference.

In specific reply to the hon. member’s question, the commission has determined that even though the mandate of the commission was to November 28, 1994, when it comes to documentation and the allegations of tampering, destruction or cover-up, the commission feels it can go beyond that timeframe.

If the hon. member has some concerns about other events that did not take place in the watch of the other government, all this will be under the eye of the commission. It will get to the answers the people of Canada expect and which they will receive.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, it appears that the commission members are aware that some documents have been destroyed. It also appears that the military police are aware that some documents have been destroyed. It seems that the public relations office, presumably reporting to the minister—there is perhaps a minister in that department somewhere—is also aware that some documents have been destroyed. It would appear the minister is the only one not aware. There was no video this time, so he knows nothing.

Can the minister tell us whether or not he has seen the military police report stating that documents were destroyed? Has he or has he not seen it? A very simple question.

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, there have been selective readings from what I suppose is the military police document which will be part of the evidence presented this Wednesday at the inquiry.

The inquiry should be allowed to table that report, have it made public, let everyone read it and come to their own conclusions, rather than my selectively responding to quotes from a report, whether from that report or another document, in the House of Commons.

The whole point of creating the inquiry was to allow a thoughtful, orderly process with due regard to the legal rights of individu-

als, all to be conducted in an impartial setting away from the partisanship of the House of Commons. It was the right thing to do. It was what this party called for in opposition. We have delivered on that commitment.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, if I understand correctly, the military police are investigating the events of June, July, August and September 1995. The minister refuses to deal with it, washes his hands of it, passes the buck to commission members. So much for his version.

I have a very simple question. Is the minister telling us that, in the Canadian armed forces, you can do anything you want without the minister dealing with it, that it will just be handed over to commission after commission after commission? Is that what his attitude is?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the question really makes sense. The hon. member will get all the answers to the questions he posed today and the questions in the House in the last couple of weeks.

If they are patient while the commission does its work, there will be a subset of hearings on the documentation issue beginning Wednesday. Other things will be revealed and other testimony will be given over the coming months with respect to the general incidents that occurred in Somalia.

Everything, I assure members, will be answered. That is why the terms of reference were crafted in that way. No one outside of selected members of the opposition have criticized the terms of reference. Most people realize they are broad, that they are all-encompassing and that they will get at the truth.

The government wants to get at the truth. Canadians want to get at the truth.

* * *

GOODS AND SERVICES TAX

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, in chapter 6 of the red book, “Governing with Integrity”, the Liberals promised to restore the quality of our democratic institutions, end arrogance in political leadership and improve their accountability with Canadian voters. That rings pretty hollow today.

In the last election the Liberals campaigned on a promise to kill, scrap and abolish the GST. They know it. The voters of York—South Weston, the voters of Broadview—Greenwood and in fact all Canadians know it.

Oral Questions

• (1425)

How many billions of dollars is the Prime Minister willing to give to the Atlantic Liberal provinces and how many of his own MPs is he willing to sacrifice to come across on his broken GST promise?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, page 22 of the red book is very clear:

A Liberal government will replace the GST with a system that generates equivalent revenues, is fairer to the consumers and to small business, minimizes disruption to small business, and promotes federal-provincial fiscal co-operation and harmonization.

That is exactly what the Minister of Finance is trying to do at this time.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, we have seen on parallel here that instead of replacing the GST he will harmonize it. He is now replacing MPs. It is as simple as that. He has gone back on a promise and those people who campaigned in the last election know full well when what they campaigned on.

By his heavy handed actions today, the Prime Minister has shown complete disregard for the democratic process and that his precious red book means absolutely precious little. The Prime Minister has placed party and politics ahead of principles and people. The message is clear. If you want to keep your election promises, you cannot do it in the Liberal caucus.

Is it really worth it? Is saving face on the broken GST promise worth the billions the government plans to spend on harmonization? It is worth punishing MPs whose only crime is standing up for their constituents?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, every Liberal MP campaigned on the red book. It is very clear this phrase is part of the red book and everybody knew it. It is exactly what we are doing at this time.

I remember the days when the member was in the House advocating and supporting the concept of the GST and flip-flopped a couple of times. We said it. We put it in writing and it is very clear.

Some members of Parliament voted against the government on some bills. We have acted accordingly. When a member of Parliament clearly votes non-confidence in the government it is because he does not want to support the government. He wants to be independent and he will sit as an independent member of Parliament. I wish him good luck getting elected as an independent candidate.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, with all respect and in supporting the member for York South—Weston, he did not want to support the government. “You got that right” is

what he would say to the government and to the Canadian people. He knew what he had campaigned on in 1993.

The Deputy Prime Minister, who campaigned to resign if the GST were not scrapped, is still here. The Liberal member for York South—Weston, who was merely living up to the campaign promises in the red book, got the boot.

The government can hide the GST. It can spend billions trying to harmonize the GST. It can ditch all the anti-GST Liberals it wants. However, Canadians will not be fooled. They know these people campaigned on scrapping, abolishing and killing the GST.

Why does the Prime Minister not simply admit he has no intention of keeping his election promise? Why does he not simply tell Canadians not to believe a word they read in the red book?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I ask the hon. member to read the promises. She should listen:

A Liberal government will replace the GST with a system that generates equivalent revenues, is fairer to the consumers and to small business, minimizes disruption to small business, and promotes federal-provincial fiscal co-operation and harmonization.

That is exactly what the Minister of Finance is doing at this time. We are keeping our promises. That is why the member is so frustrated.

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[*Translation*]

GOODS AND SERVICES TAX

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, last week the Minister of Finance did not deny that replacing provincial sales taxes and the GST with a new GST hidden in the sales price would involve federal compensation of \$1 billion to the Atlantic provinces, to come out of the pockets of all Canadians.

My question is for the Prime Minister. Does the Prime Minister confirm that the agreement his government is preparing to announce with the Atlantic provinces does not constitute the removal of the GST as he had promised, but an expensive camouflage of a new 15 per cent GST in the price of goods and services?

• (1430)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have just read the Liberal Party's promise in the red book twice. I do not need to repeat it. We said that we wanted to harmonize with the provincial governments so that there would be a single tax, so that businesses had only one sales tax report to do, and so that we would have a system that was the same for all Canadians, simplifying everyone's operations. That is exactly what the Minister of Finance is in the process of doing.

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When the agreements are concluded, the Minister of Finance will have no trouble expressing himself, and indeed is rarely hard put to do so in this House.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, I would like to refresh the Prime Minister's memory ever so slightly. He said, during the 1995 election campaign, that he would abolish the GST. He made a solemn promise to abolish the GST and, as with the numerous defence department scandals, we have it on tape.

Not only is the Prime Minister telling us that he will not abolish the GST, but he is confirming that by hiding the new GST in the price of goods, the federal government will more easily be able to increase it, unbeknownst to the public. Is that correct?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, once again, they are trying to scare people. It is not a question of increasing the GST. It is a question of changing the GST, of putting in place a national tax that will apply to everyone. There will be more work to do outside Quebec, because the tax is already harmonized in Quebec.

Right now, the Minister of Finance wants the same taxation level for all Canadians who pay a federal and provincial tax, and that is what he is working out with the provincial governments, who will, over the years, have to forgo a certain amount of revenue. As always, as we have done in other cases, we will help the provincial governments, especially those having the most trouble, the poorest provinces, to adapt to the new national system.

It is a question of being fair to all Canadians and that is what we are aiming for: a clear, simple and fair system for everyone.

[English]

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, this is absolutely unbelievable. By sacrificing a caucus member because he had the nerve to hold the Prime Minister accountable for his own promise to kill the GST, the Prime Minister has made a mockery of parliamentary democracy and a mockery of this place.

The Prime Minister has betrayed the member for York South—Weston, who was only attempting to hold him accountable and give him a chance to fulfil his promises and the principles he ran on and won the election on. That is a fact.

Why has the Prime Minister abandoned the promise to bring about parliamentary reform?

The Speaker: A little while ago I asked all hon. members to please direct their questions to the administrative responsibilities of the minister or ministers involved.

In my view the way this question is framed, we are dealing with party matters as opposed to government matters.

I will permit the hon. member to rephrase the question, not the preamble, and put his question to whomever he likes.

Mr. Solberg: Mr. Speaker, why has the Prime Minister flagrantly broken his promise to bring about parliamentary reform?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, for the first time when private members' bills come before the House we are allowing ministers and members of our party to vote the way they want. That has never happened before in the history of Parliament. It is working. It is a reform that has been appreciated but not noted.

Unlike the member, I have been here for a few years and it is a big departure from what existed before. Members of Parliament voted on private members' bills according to the party line. We have given that freedom. It is a step in the right direction.

• (1435)

However, we live in a system in which we have a responsible government. When the government is defeated on a question of confidence it has no choice but to call an election. When it is a matter of voting non-confidence in the government, it is a question that one does not belong to the party that forms the government. That is all.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, the Prime Minister would not know parliamentary democracy if he grabbed it by the throat. That is a fact.

A few years ago former Prime Minister Brian Mulroney kicked an MP out of caucus for voting according to their constituents' wishes. At that time the current Prime Minister welcomed that principled member into his own caucus. What a great irony. The Prime Minister said they would be a lot better than the hated Tories. What a farce that turned out to be.

Why oh why is the Prime Minister breaking his promise on the GST and parliamentary reform and why is it not the Deputy Prime Minister being forced to resign instead of the member for York South—Weston?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, my oh my, this member of Parliament cannot read four lines of the red book. I repeat for him: "A Liberal government—

Some hon. members: Oh, oh.

Mr. Chrétien (Saint-Maurice): He does not want me to repeat it. He has heard it enough. Fine. Read the red book. This is the commitment of this party and we are delivering on it.

Oral Questions

[Translation]

FRANCOPHONES OUTSIDE QUEBEC

Mr. Jean-Paul Marchand (Québec-Est, BQ): Mr. Speaker, as the government denies the endemic assimilation of francophones outside Quebec, the future of four francophone schools in Ottawa is at stake for lack of students. They include the école Sainte-Anne, the last remaining francophone primary school in Lower Town, a francophone bastion in Canada's capital.

My question is for the Minister of Canadian Heritage. When will the minister stop denying the problem of the assimilation of francophones in Canada, which leads to the disappearance of their most vital institutions, such as the last primary school in Lower Town?

Hon. Sheila Copps (Deputy Prime Minister and Minister of Canadian Heritage, Lib.): Mr. Speaker, I would first like to point out our interest at the hon. member's concern over education. This goes against the policy of his party, which says that education is a provincial matter.

I would first like to point out there are 60 schools under the school board for Ottawa-Carleton, including the one my daughter attends, along with école Gaston-Vincent, école Baribeau, école Cadieux, école des Pins, école des Villageois, école des Voyageurs, that are French language schools, and not immersion. Four of them are currently threatened with closure because of budget cuts.

Unfortunately, the Government of Ontario followed the example of the Government of Quebec, which announced cuts of \$300 million in education on March 27. These cuts by the premier of Quebec are unfortunate. We also find most unfortunate the cuts made by the Government of Ontario, but we respect its jurisdiction over education, which is, as the Bloc Québécois policy provides, a matter of provincial jurisdiction.

Mr. Jean-Paul Marchand (Québec-Est, BQ): Mr. Speaker, the federal government has interfered in provincial matters frequently and on a number of issues, but the minister is denying the assimilation of francophones in Canada in her response, and no one dare deny this assimilation when it is occurring at the rate of 30 per cent in the Canada's capital.

We must have francophone schools, but Sainte-Anne is closing. It is a fact that English predominates in the federal public service. Francophones must use English in the public service.

• (1440)

Will the minister acknowledge that her government is therefore practicing a policy of assimilation leading to the disappearance of the francophone community in the heart of the nation's capital?

Hon. Sheila Copps (Deputy Prime Minister and Minister of Canadian Heritage, Lib.): Mr. Speaker, in response to his question, I told the member that there are currently 60 French language schools in the Ottawa-Carleton region. Thirty years ago, there was no francophone school board in Ottawa-Carleton.

His questions are almost as logical as his comments today—the member is weeping crocodile tears. Assimilation is about as logical as the comment: “One of the reasons I became a sovereignist was because of the threat of assimilation”.

Does he really think that a policy of separating francophones in Quebec from those in the rest of Canada will keep the country bilingual? The exact opposite is true. This is why we have 23 francophone members and senators from outside Quebec here. This is why Canada is on its way to becoming a country for everyone.

* * *

[English]

GOODS AND SERVICES TAX

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, in opposition the Liberals promised to kill, scrap and abolish the GST because it was a bad tax. The Prime Minister knows there are a lot of quotes to prove that.

In government the Liberals are proposing to spend \$1 billion to hide this bad tax, to reward with federal kickbacks those Liberal governments that help to hide it, to charge off the billion dollar cost to the seven provinces that do not want it, and finally to punish those MPs that stand in the way of hiding it by dismissal from caucus because they remind the government of its election promise.

Is the Prime Minister now satisfied that by his disciplinary actions he has muzzled other Liberal backbenchers to keep silent on his government's GST promise?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, this party had a program and probably all the candidates read it before they ran. If they had stopped on page 22 they would have seen that we were talking about simplification and harmonization. That is what is written.

Four provincial governments have opted for harmonization. The first government was Quebec. Now there are three more and the others are looking into it.

I can read to the hon. member what the Regina *Leader Post* is recommending to the Saskatchewan government. It states: “—would be well advised to rethink its opposition to a harmonized tax. Its concerns are not insurmountable, nor do they outweigh the potential benefits of harmonization, such as reduction in the cost of doing business and operating government in Saskatchewan, thus

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improving the business climate and, in the long run, likely generate new jobs and revenue sources”.

That is the opinion of a very important newspaper in Saskatchewan. That makes a lot of sense. A lot of people will find that our approach is a very good one.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, quote: “I want the tax dead”. That was the Liberal leader in opposition, the right hon. Prime Minister. That appeared in the *Montreal Gazette* of September 27, 1990.

Now that the Prime Minister has made an example out of the member for York South—Weston in order to keep the rest of his caucus in line, let me remind him of another promise which he and his party made in opposition.

Liberal MPs opposed taxing reading material when the GST was imposed by the Tories. They promised to remove the tax on books. Now they are proposing double digit taxation on reading with their piecemeal, half-hearted effort with three Atlantic provinces on harmonization.

When will the Liberal government meet this promise? Where is the Prime Minister on this promise?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I would repeat to the hon. member that at the time we opposed the GST and we still oppose it. We argued in this House that it would be two systems of taxes with two different types of reports. It is very complicated for the consumers and for the the business people who had to report. There would be two sets of books, two sets of inspectors and so on.

• (1445)

We argued against this complication in the tax system. We always talked about harmonization. At the time of the election we put it in writing on page 22 of the red book. It is very easy to verify and we stand by what is written in the red book.

* * *

[*Translation*]

FRENCH SPEAKING MEMBERS OF THE ARMED FORCES IN MOOSE JAW

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

In a recent study, the official languages commissioner concluded that anglophone members of the armed forces based in Bagotville had access to impeccable services in their own language, whereas French speaking soldiers based in Moose Jaw, Saskatchewan, were deprived of essential services in French such as health care and education.

Will the Minister of National Defence follow up on the commissioner’s recommendation and establish a detailed plan to meet the needs of francophone members of the armed forces in Moose Jaw before May 31, 1996?

Hon. David M. Collette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, we are giving serious consideration to the commissioner’s recommendations. We hope to be able to establish the same standards across the country.

[*English*]

I have visited Bagotville and I would certainly concur with what the hon. member said in terms of the availability of standards affecting both linguistic groups and services.

I have also visited the Moose Jaw base in western Canada and I have not been directly informed of some of the things of which the commissioner apparently has been made aware.

We try to make sure that no matter what language is spoken by members of the forces that obviously they are entitled to all of the services, priorities and prerequisites that all Canadians have no matter what language they speak. If improvements have to be made we will certainly put them in place.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, it is really unfortunate that, every time something goes wrong, this minister is always the last to know about it. There have been six complaints in Moose Jaw. I find it strange that when he went to Bagotville, he was told that everything was fine for anglophones but when he went to Moose Jaw, he was not told about the difficult situation faced by francophones there. I will not repeat the speech made by my colleague about assimilation, but that is how it happens, especially when a minister does not even care about the situation of the minority in Saskatchewan.

I do not want a vague answer to my question, I want a straight answer. Does the minister intend to ensure that francophone members of the armed forces in Moose Jaw have access to a French school as soon as possible?

Hon. David M. Collette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, obviously the member has not heard my answer. I am very concerned about the problems of access to services in both official languages across the country.

[*English*]

With respect to education services, as the hon. member knows, under agreements that have been coming into effect that were signed by the previous government, the Department of National Defence is now handing over education to the various provinces. When we do this we try to ensure that linguistic minorities are dealt with fairly.

Oral Questions

As I said in the earlier response, we are looking for improvements. I assure the hon. member we will make those improvements so she will be satisfied.

* * *

[Translation]

TELECOMMUNICATIONS

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, my question is to the Minister of Industry.

My constituents informed me of their frustrations with the services they are getting from the signal providers for their dish antenna systems.

Could the Minister assure my constituents that the problem with satellite dishes will be solved without them having to pay a lot more money?

Hon. John Manley (Minister of Industry, Minister for the Atlantic Canada Opportunities Agency, Minister of Western Economic Diversification and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I can tell my colleague that the technology used to have provide broadcasting services changes very rapidly at the present time. Most service providers are now switching to digital technology, which does not work with existing satellite dishes.

• (1450)

There might be a potential problem for consumers. The sale of satellite dishes, used to receive television signals, is not regulated by the federal government. With any high technology equipment, consumers must examine their options very carefully before they buy. This is very important.

* * *

[English]

GOODS AND SERVICES TAX

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, when the GST was introduced by the Tories in 1990, the Liberals of the day argued for a free vote. They said that the Prime Minister, Brian Mulroney, had promised more free votes in the House of Commons. The Tories said that they could not allow a free vote because it was a money measure. Of course the Liberals were outraged, or they feigned outrage, at this kind of response.

The current Prime Minister will not allow a free vote on another similar measure, and he kicks people out of the caucus.

Many Canadians, especially one from York South—Weston, would like to know the answer to this question: Since the Liberals

deplored this kind of iron-fisted discipline while in opposition, what happened to them when they formed the government?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have dozens of free votes in the House of Commons that did not exist before.

Mr. Abbott: No, you do not; not one free vote.

Mr. Chrétien (Saint-Maurice): We have dozens of free votes in the House of Commons.

When a bill is by a private member, it is a bill presented to the Parliament of Canada. These bills will change the laws of Canada. We have accepted a lot of free votes, even with ministers splitting on some votes. We have never seen that before.

I am satisfied with the experiment. I think it was good and did not cause too many problems. We might have them on other occasions. We had free votes before on capital punishment and abortion. We had free votes on problems of morality or moral decisions.

When it is a question of confidence in the government, government members have to support the government which has helped them to get elected.

The Speaker: May I encourage you both when a question is being asked and when an answer is being given because it is a bit difficult for me to hear all the words. I know you will co-operate by letting me hear both the question and the answer.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, when the current Deputy Speaker was kicked out of the Tory caucus for voting against the party line, he said that the Conservative Party was so undemocratic that it would make General Noriega blush.

This Liberal government promised Canadians that if it was elected it would be different, that Canadians would finally get MPs who were free to represent the wishes of the constituents that elected them. Why did the Liberals lie to Canadians?

The Speaker: I would like the hon. member to withdraw the word lie.

Mr. Strahl: Mr. Speaker, why did the government misinform the Canadian people?

The Speaker: Very simply I would like you to please withdraw the word lie.

Mr. Strahl: Mr. Speaker, I withdraw that word. Is it true that the government's idea of a free vote is that it is free as long as the dictatorial Liberal Party says it is free?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, when it is a confidence vote in the government, it is a confidence vote in the government. It was discussed in caucus last Wednesday and the views of the member were clear.

The member for York South—Weston had a bill in the House on which we permitted a free vote. However, a question of confidence

in the government is something else. He could have waited and on a specific bill he could have voted against the government.

• (1455)

When it is a lack of confidence in the whole program of the government, it is because you do not belong to that government any more.

* * *

[Translation]

RCMP

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, my question is for the Prime Minister.

The RCMP external review committee is responsible for hearing appeals for certain types of grievances filed by regular or civilian members of the RCMP against the senior management this police force. The committee, chaired since 1990 by Jennifer Lynch, is the only legal recourse offered to members of the RCMP for an independent hearing.

Can the Prime Minister explain why the RCMP granted Mrs Lynch a one year contract worth \$176,000, to review the present grievance system? Does the Prime Minister not agree that Mrs. Lynch is in fact in conflict of interest since, on the one hand, she hears grievances against the senior management of the RCMP and, on the other, she has a contract with the senior management?

Mr. Nick Discepola (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, as we know, the Solicitor General is in hospital this week. I will take note of the hon. member's question and I will provide him with an answer at a later date.

* * *

[English]

HOUSE OF COMMONS

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, people across Canada are most disturbed with the Prime Minister's lack of parliamentary democracy in this House.

If MPs cannot speak out on important issues without being punished, Canada is in serious trouble. Remember, if the GST is not scrapped, the Deputy Prime Minister will resign. My question, therefore, is for the Deputy Prime Minister.

How can the Deputy Prime Minister sit there in all good conscience after having gone back on her word while a long-time colleague of hers is made a scapegoat and hung out to dry while standing up for his principles?

The Speaker: I am trying to tie that into the administrative responsibilities of members. If the Prime Minister would like to answer, I will permit him to do so.

Oral Questions

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, every member has a chance to express his or her views on everything. However, when it comes to non-confidence in the government, it is a very clear statement that they do not support the government.

Coming from rural Quebec, I have to explain to the hon. member who was born in Nova Scotia that I am here defending the British parliamentary system which has existed for a long time. A vote of confidence in the government is not the same thing as other votes.

Mr. Abbott: They have free votes.

Mr. Mills (Red Deer): That government has free votes.

Mr. Chrétien (Saint-Maurice): We have had more free votes here. We do not need a lesson on that score from the Reform Party.

Miss Grey: You sound like Mulroney.

Mr. Mills (Red Deer): You are an embarrassment.

Mr. Chrétien (Saint-Maurice): The problem with members of the Reform Party is that they do not want to know what is a government because they will never be a government. Having the responsibility of a government, people can ask my members. They have had more free votes than ever before in this Parliament.

When somebody wants to exclude himself from the party, he votes against the government in a motion of confidence. This is a well known practice, which existed since Parliament was founded many centuries ago in Britain.

* * *

EMPLOYMENT EQUITY ACT

Hon. Warren Allmand (Notre-Dame-de-Grâce, Lib.): Mr. Speaker, my question is for the Minister of Labour.

In 1995, Parliament passed important amendments to the Employment Equity Act, but these changes will only come into effect one year after the law's proclamation.

At a committee meeting last Thursday, the human rights commissioner urged the government to proclaim this law as soon as possible. When will this employment equity law be proclaimed?

[Translation]

Hon. Alfonso Gagliano (Minister of Labour and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, at the present time, the Department of Human Resources is drafting the regulations.

• (1500)

Next month, the employees of the department will consult with the parties, the employers' associations, the unions and all other interested parties about the application of this important legislation on employment equity. We hope that we will be able to fulfil our

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commitment and that, by mid-fall, the draft regulations will be in force.

* * *

[English]

SOMALIA INQUIRY

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, my question is for the Prime Minister.

Mr. White (Fraser Valley West): He gets time instead of us.

Mr. Hermanson: Let us be fair in here.

The Speaker: The hon. member for Sherbrooke.

Mr. Charest: My question has to do with the new allegations relative to the Somalia inquiry, the allegations about papers being shredded in September 1995. These are very serious allegations which go right to the heart of an issue of confidence within the government.

I would like to know from the Prime Minister whether he does not think at this point, given this serious allegation concerning his department, that the time has come to ask his minister of defence to stand aside.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, before replying to the leader of the Progressive Conservative Party, I would like to remind the member for Fraser Valley West who did not want the member to get up, about political democracy and freedom of speech when they want to deny a member of Parliament the right to speak.

Some hon. members: Hear, hear.

Mr. Chrétien (Saint-Maurice): I will say to the hon. member for Sherbrooke that for the first time in a very long time, maybe since I have been around, never has a government had an inquiry into the operation of the armed forces. It was done on the recommendation of the Minister of National Defence.

The commission is looking at all aspects of the operation. If something wrong has been done, the commission will report it. The reason we have this commission is that this good Minister of National Defence had the wisdom to recommend the inquiry to the Government of Canada.

* * *

[Translation]

PRESENCE IN GALLERY

The Speaker: Dear colleagues, today we have the pleasure to welcome in the House a group of young Canadians who have made a significant contribution to their country.

[English]

They are young men and women who have distinguished themselves in many fields, some for their musical, athletic or artistic

talent and others for their bravery, entrepreneurial skills, scientific innovation or commitment to public service or humanitarian causes. They are young and they have already made a difference. These young Canadians represent excellence and are symbols of achievement for Canada.

Please join me in welcoming and congratulating the winners of the YTV Achievement Awards.

Some hon. members: Hear, hear.

* * *

• (1505)

POINT OF ORDER

QUESTION PERIOD

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, the Prime Minister raised in the House the fact that under some misunderstanding he has about question period and the number of people who are supposed to ask questions in which order, I think he purely is trying to put on my shoulders the fact that I did not want this fellow over here, whoever, to—

Some hon. members: Oh, oh.

The Speaker: My colleagues, it has been a spirited debate today on both sides. The hon. member of course does not have a point of order. I would hope that tomorrow we will be able to take up the battle again.

ROUTINE PROCEEDINGS

[English]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Paul Zed (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 responses to 21 petitions.

* * *

EARTH DAY

Hon. Sergio Marchi (Minister of the Environment, Lib.): Mr. Speaker, it is appropriate that we bring the debate back to earth given that today is Earth Day not only in Canada but across the entire globe. It is a time when we can hopefully put aside our differences and unite in pledging ourselves to conserve, to protect and to renew our planet. The theme of this year's Earth Day worldwide is "To Your Health".

Make no mistake about it, a deteriorating environment does harm human health. We see it around us manifested in different ways, in different shades and in different shapes.

I recently returned from the Arctic where I heard daunting stories of wind driven pollutants and poisons that taint mothers' milk. Also Environment Canada just finished issuing a sun screen warning for this coming summer because the ozone layer which is thinning continues to be a problem of large magnitude. We all know, in particular those of us who live in large urban centres, that the air quality is at risk. It is a risk to people, including our children and to those who suffer from breathing disorders.

The words "environment" and "health" at the end of the day are really about the same thing. They are interchangeable and the risks and stakes are quite high.

It is appropriate also that a United Nations report was just handed down which said that the pollution of earth's air and water was getting worse and not better. It warned that a staggering 150 species of plants, animals and fish become extinct every single day. Imagine the magnitude of that mathematics. Every day as a result of our unsustainable development the world over we are losing all those species around the globe. It is staggering. We truly are getting close to nature's limits which means that yes, it is time that we collectively changed our ways.

• (1510)

Today on Earth Day citizens and communities across our nation step boldly forward to act as responsible stewards of our natural heritage, now and for the future. Through these actions we commit ourselves to conserve nature and we promise to share the benefits of nature across our regions, across nations and across the generations.

Canadians fundamentally understand their responsibility to protect the environmental wonders that are Canada. Communities all across the country have the ideas, the energy and commitment to be and act as that first line of defence. We as a national government are prepared to help in that national exercise through action 21, a national \$10 million annual program that tries to assist local groups who are trying to reclaim their respective environmental backyards. Today I have announced the latest round of projects from this program. About \$2.5 million will be going to some 84 groups across Canada all aimed at creating a healthier more sustainable environment.

These projects include the East Toronto Green Community Group's efforts to reduce runoff and waste water contamination of the lower Don River; the Habitat Unlimited Society project to restore a rearing and spawning habitat for fish populations in Brierly Brook; and a project by a group southwest of Montreal to improve the methods of storing pesticides in the rural agricultural community. These are but a few examples of the innovative projects led by individual Canadians that are happening in our nation's neighbourhoods. That is where it must start because if it

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does not happen locally, we can talk about our strategies nationally and internationally but at the end of the day they will not succeed.

Canadians also know we are the custodians of the world's longest coastline and the stewards of one-fifth of the world's wilderness, one-fifth of the world's fresh water supply and one-quarter of our planet's wetlands. Sitting around kitchen tables, Canadian families and their neighbours have come up with grass-roots ideas to restore and reinvigorate nature for the future.

In P.E.I., 50 volunteers have adopted beaches in order to protect the endangered piping plover. The Wildlands Park Development Society in Calgary is revegetating an oil refinery site. Jack Bell, a senior citizen from Vancouver, started a van pool and now operates 95 vans in order to reduce the emissions from vehicles.

[*Translation*]

Mayor Guy Leblanc of Trois-Rivières has acted to make his city bike friendly. In the past two years, volunteers have planted 750,000 native shrubs and trees along the Canadian natural highway.

[*English*]

Only a few hours ago I watched as grade 6 students from Rideau Valley Middle School presented us with projects they have designed to help clean up the historic waters of the Rideau River which is simply yards away from the House of Commons.

Grassroots groups and individual Canadians deserve our praise for their work to restore Canada's natural legacy. They recognize that nature is central to who we are and what we are not only as Canadians but as human beings.

Canadians rightfully expect, in fact demand, that national and international actions match their personal efforts. Canada's environment is a source of national pride. Canadians want their national actions on the environmental front lines to also be that same source of inspiration.

• (1515)

As one step in that direction, I am pleased to announce that every provincial and territorial government in Canada has joined with the federal government in signing a statement, a contract to conserve Canada's biodiversity. This statement is a companion piece to the Canadian biodiversity strategy released last year. This strategy will guide all governments in conserving nature and living up to Canada's global and national obligations.

There are not too many documents on which we can achieve unanimous agreement these days. However, governments in this sense have heard the voices of Canadians. Canadians want Canada to be the world leaders in the use, in the conservation and in the sharing of the wonders of nature.

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On May 6, I will take part in the official opening of the secretariat of the convention on biological diversity in Montreal. The selection of Canada to host this UN office is a clear indication of the kind of trust, confidence and expectation the world places in Canada.

[Translation]

On Earth Day, we embrace the principle that conserving nature starts with us. If we want to change the world, we have to start at home.

[English]

On Earth Day we embrace the principle that conserving nature starts with us. If we want to change the world we need to start at home.

[Translation]

Mr. Gérard Asselin (Charlevoix, BQ): Mr. Speaker, today we celebrate Earth Day. Of course, this day which is dedicated to the conservation of the earth is also linked to the environment. I believe that, as parliamentarians, we are willing to pass and enforce laws to protect the health of the people of Quebec and Canada. We must protect the environment, otherwise the population will experience serious air, health and water problems.

The protection of the environment is also a matter of education and information. I believe that very early on, children must be informed and taught about the environment, first and foremost at home, but also in school. We must protect the environment at work and in our daily lives.

I would encourage school boards do draw up an information and education plan on environmental protection to make our young people aware of this very important issue.

I would also encourage municipalities in Quebec and in Canada to set up environmental protection committees. I would give as an example the municipality of Baie-Comeau, in my riding, which created an agency to protect and improve the environment 10 years ago. The mandate of the agency was and still is to protect the water, the air and the environment as a whole.

We all know that nowadays, municipalities determine their own environmental standards. Therefore, federal, provincial and municipal laws should not overlap if we want to keep inherent costs at a minimum and avoid conflicting legislation that would impede proper application and enforcement in some areas.

In Baie-Comeau, in the riding of Charlevoix, a group called the Corporation d'amélioration et de protection de l'environnement recycles durable goods. We all know that almost everything can be recycled now: paper, cardboard, plastics, glass, wood, steel, etc.

That corporation even salvages furniture which it repairs and gives to underprivileged families.

● (1520)

It also collects, repairs, cleans and stores clothing to give it to needy families or those who have lost their belongings in a fire, for example. It collects and repairs household appliances that previously would have ended up in the municipal dump. Nowadays, many municipalities practice selective collection; in so doing, they can reduce their sanitary landfill costs. This gives municipal governments a chance to reduce their costs for sanitary landfills.

You know that today everything is recyclable. I would even say that municipal governments would be well-advised to have their own selective pick-up and their own sorting facilities. This would even protect waterways. Certain Quebec waterways flow into the St. Lawrence River. We know that previously all municipal governments where discharging their waste into the waterways which, eventually, reached the St. Lawrence. At one time, the St. Lawrence River was considered one of the largest open air septic tanks in the world. Yet, some municipal governments are drawing their drinking water from that same river.

Nevertheless, I want to congratulate the minister. Action 21, although a very limited program, is a start. It will allow some 84 projects, totalling some \$2.4 million, for the improvement of the environment. I urge all levels of government—federal, provincial and municipal—to do the same.

To conclude, as parliamentary assistant to the hon. member for Laurentides, my job is very important because the environment is the way of the future. Thank you, Mr. Speaker. Let us celebrate together this Earth Day.

[English]

Mr. Paul Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, I appreciate the opportunity to make a response to the environment minister's statement this afternoon. The minister has a great deal to clean up following the tenure of the Deputy Prime Minister, so what better day for the minister to start than Earth Day.

When former American President Gerald Ford proclaimed this day Earth Day he stated: "The earth will continue to regenerate its life sources only as long as we and all the peoples of the world do our part to conserve its natural resources. It is a responsibility which every human being shares. Through voluntary action each of us can join in building a productive land in harmony with nature".

There is no question that a day such as Earth Day is beneficial to heighten the awareness of the problems with our environment. However, this one day should not be the only day when we bend down to pick up the litter scattered over our streets, sidewalks and yards. The three Rs are for everyday in our communities.

At the federal level Canadians should be able to look at the actions of the minister and be confident that his actions will be beneficial to help keep our air, land and water very clean. We should not have to worry but we do worry when we look at the record left by the former Minister of the Environment and the plans set out by the current minister.

When I became the Reform caucus environmental critic I found myself dealing with a number of issues such as lifting the *Irving Whale*, the toxic waste mess of Sydney Tar Ponds and the gasoline additive MMT. To date the *Irving Whale* remains at the bottom on the Atlantic ocean off the coast of Prince Edward Island, leaking bunker C oil and PCBs.

The Sydney Tar Ponds site is far from being cleaned up since more hot spots of PCBs have been found. The *Irving Whale* has cost taxpayers \$18.7 million, and still nothing to show for it. The Sydney Tar Ponds site clean-up has cost taxpayers more than \$55 million with only 90 tonnes of the 700,000 tonnes incinerated.

With respect to the ban on the gasoline additive MMT, the minister still has no proof that MMT is harmful to the onboard diagnostic systems of automobiles. The issue is not environmental, it is political.

• (1525)

The west coast fishery is at risk. The minister has a role. We are monitoring. May he have courage to act.

In the minister's speech he made reference to the uncontrollable smog in urban areas and how it is a risk for children. If the minister is so concerned with smog, why would he want to ban the use of MMT in gasoline when even his own officials admit that MMT reduces NOx emissions, one of the greatest contributors to urban smog?

It seems the government's environment ministers make decisions based on what they think will affect their political future rather than on the future of the environment.

The minister mentioned various private citizens co-operating in various ways to clean up the environment. Throughout this Earth Day week in my area of Burnaby volunteers are doing what they can to make a difference.

On the British Columbia Institute of Technology campus a litter pick-up campaign is under way, which will include the Guichon Creek. Others are raising money for the Canadian Parks and Wilderness Society by getting pledges and walking or running the five-kilometre Burnaby mountain loop, starting at the Simon Fraser University campus.

Fish habitat in New Westminster in the Brunette Creek will be restored. People across the country will be doing what they can to

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make a difference in their local communities. Unfortunately this will not be enough. There are many large scale projects too large for volunteers to do on their own.

Last Thursday the committee on the status of endangered wildlife in Canada added 16 new species to Canada's list of species at risk. The issue of endangered species is one for which Canadians will want to find a solution.

Last year the former Minister of the Environment came forward with a proposal. She announced it as the solution, one which all of Canada would readily adopt. The proposal was weak from every angle. Not only did it not address the most serious issue of habitat preservation, but the proposed act would have covered only a mere 4 per cent of the land of Canada. If the Deputy Prime Minister believes animals respect provincial and federal borders, she has been drinking too much water out of the Hamilton harbour.

If the new Minister of the Environment, who so eloquently spoke about how Canadians want national action to conserve nature, truly believes what he speaks, he will have no trouble assuring the House that a new endangered species act will stop any further species from being added to a list of species at risk as a consequence of human activity.

Canadians understand the current Minister of the Environment has a great deal of work ahead of him. They also understand the previous minister created more problems than she solved.

Today, being Earth Day, is a great day for the minister to put Canada's environment back on the right track. Therefore I urge the minister to listen to what the grassroots are telling him and to allow independent, scientific tests whenever necessary and to use the best that science has to offer rather than political preening in the decision making process.

We all want to do what is right for the environment. During the minister's tenure, may we anticipate results rather than speeches, and sound policy rather than more reports on the shelf. The country is waiting.

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Paul Zed (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 14th report of the Standing Committee on Procedure and House Affairs regarding the membership and associate memberships of various committees.

If the House gives its consent, I intend to move concurrence in the 14th report later this day.

*Routine Proceedings***MANGANESE BASED FUEL ADDITIVES ACT**

Hon. Sergio Marchi (Minister of the Environment, Lib.) moved for leave to introduce Bill C-29, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances.

He said: Mr. Speaker, this bill is in the same form as Bill C-94 of the first session of the 35th Parliament at the time of prorogation. I therefore request that it be reinstated as provided for in the special order adopted March 4, 1996.

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

[Translation]

The Acting Speaker (Mr. Kilger): The Chair is satisfied that this bill is in the same form as Bill C-94 was at the time of prorogation of the first session of the 35th Parliament.

Accordingly, pursuant to order made Monday, March 4, 1996, the bill is deemed to have been read the second time, considered by the Standing Committee on Environment and Sustainable Development, reported without amendments and concurred in at report stage with amendments.

* * *

• (1530)

[English]

PUBLIC SERVICE STAFF RELATIONS ACT

Hon. Sergio Marchi (for Leader of the Government in the House of Commons and Solicitor General of Canada) moved for leave to introduce Bill C-30, an act to amend to amend the Public Service Staff Relations Act and the Royal Canadian Mounted Police Act.

He said: Mr. Speaker, on behalf of our colleague, the Solicitor General of Canada, I wish to state that this bill is in the same form as Bill C-58 of the first session of the 35th Parliament at the time of prorogation and therefore request that it be reinstated as provided in the special order adopted on March 4, 1996.

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

The Acting Speaker (Mr. Kilger): The Chair is satisfied that this bill is in the same form as Bill C-58 was at the time of prorogation of the first session of the 35th Parliament.

Accordingly, pursuant to order made Monday, March 4, 1996, the bill is deemed to have been read the second time, considered by the Standing Committee on Government Operations and reported without amendment.

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Paul Zed (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if the House gives its consent, I move that the 14th report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

The Acting Speaker (Mr. Kilger): Does the hon. parliamentary secretary have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

(Motion agreed to.)

* * *

[Translation]

PETITIONS

AUTOMOBILE LEASING

Mr. René Laurin (Joliette, BQ): Mr. Speaker, I wish to table a petition signed by almost 250 people who are members or employees of the Association des concessionnaires d'automobiles in Joliette and who are opposed to banks getting into the car leasing business.

The petitioners call upon the government not to amend the Banks Act and to maintain the status quo, that is, to keep banks from getting into the car leasing business, something which would seriously threaten the viability of the majority of automobile dealers and hundreds of jobs related to this business.

IMMIGRATION

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, pursuant to Standing Order 36, I wish to table a petition bringing to the attention of the government the fact that Le Patriarche Inc., a toxicotherapeutic organization, is currently having a hard time bringing volunteers into the country since the visas required are either refused or granted with overly long delays.

The organization's operations are therefore jeopardized. A review of Immigration Canada regulations is desirable to allow foreign volunteers wishing to come to Canada to work to do so with complete peace of mind.

TRAN TRIEU QUAN

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, as you already know, Tran Trieu Quan of Sainte-Foy near Quebec City was sentenced to life and has been held in a Vietnamese prison for two years.

The 260 people from the riding of Beauport—Montmorency—Orléans who signed this petition urge the federal government to act as quickly as possible to obtain Mr. Quan's release.

I would like the members of this House to join me in supporting his family, which is going through a very difficult time.

[*English*]

CRIMINAL CODE

Mr. John Cummins (Delta, Ref.): Mr. Speaker, I have three petitions. Two of the petitions say that the section 241 of the Criminal Code states that everyone who (a) counsels a person to commit suicide or (b) aids and abets a person to commit suicide, whether suicide ensues or not, is guilty of an indictable offence and liable to imprisonment for a term not exceeding 14 years, that the Supreme Court of Canada recently upheld section 241 and that if it were struck down or amended such protection would no longer exist.

• (1535)

The petitioners humbly ask the House not to amend or repeal that section in any way.

GASOLINE PRICES

Mr. John Cummins (Delta, Ref.): The next petition, Mr. Speaker, states that the availability of reasonably priced energy helps Canadians to offset the high cost of transportation in a geographically dispersed country and that mobility is a basic right and an economic necessity; that 52 per cent of the price of gasoline is composed of taxes; that the federal government reinvests in highways less than 5 per cent of its fuel tax revenues; and that two committees of Parliament recommended federal gas increases of 1.5 per cent and 2 per cent per litre respectively.

The petitioners therefore request that Parliament not increase the federal excise tax on gasoline and strongly consider reallocating its current revenues to rehabilitate Canada's crumbling national highways.

CRIMINAL CODE

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I rise to present to Parliament a petition signed by 210 of my constituents in Red Deer.

The petitioners express their concerns that Canada must embrace the philosophy of zero tolerance toward individuals who drive while impaired by alcohol or drugs, and that the impact statements of the victims of the crime of impaired driving must be given the highest priority prior to the sentencing of anyone convicted of impaired driving.

Therefore, the petitioners, with whom I agree, pray and request that Parliament proceed immediately with amendments to the Criminal Code to ensure that the sentence given to anyone convicted of driving while impaired or causing injury or death while impaired reflects both the severity of the crime and zero tolerance by Canada toward this crime.

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ASSISTED SUICIDE

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I have three petitions to present on behalf of the constituents of Simcoe Centre.

The first petition is on the issue of euthanasia. The petitioners request that Parliament not sanction or allow the aiding or abetting of assisted suicide or euthanasia.

AGE OF CONSENT

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the second petition deals with concerns of age of consent laws. The petitioners ask that Parliament set the age of consent at 18 years to protect children from exploitation and abuse.

HUMAN RIGHTS

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the third petition, signed by 152 petitioners, requests that the Government of Canada not amend the human rights act to include the phrase sexual orientation. The petitioners fear that such an inclusion could lead to homosexuals receiving the same benefits and societal privileges as married people.

NATIONAL CAPITAL REGION

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I have the pleasure to present a petition signed by close to 1,000 people. It arises from a situation that occurred in our nation's capital last year when the National Capital Commission was looking at selling off parts of green space and open corridors in the nation's capital.

The petitioners call to the attention of the House that when Jacques Gréber released his plan for the national capital in 1950 it was dedicated, at the direction of the cabinet, as a national war memorial to those who had fought in the wars in defence of Canada.

Therefore, the petitioners call on Parliament to ensure that this commitment and the dedication of the green spaces of the nation's capital are maintained as a national war memorial and are not disposed of or sold.

HEALTH CARE

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I have a second petition from people writing prior to the budget to indicate that they did not believe that health and dental plan benefits should be taxable benefits. I am sure they were as pleased as I was that the minister has decided not to do that.

However, the petitioners call on Parliament not to consider this kind of change until there has been a study of the impact on the health of Canadians of any such change.

SRI LANKA

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, the third petition is from a group of Canadians of Sri Lankan origin calling on Canada to maintain its neutral position, vis-à-vis Sri

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Lanka and the conflict in Sri Lanka, to assist in the resolution of the conflict between the Sri Lankan government and the LTTE who represent the Tamil people, and calling particularly for the release of Mr. Suresh.

TAXATION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I have two petitions. The first petition comes from the citizens of Calgary, Alberta.

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.

• (1540)

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

LABELLING OF ALCOHOLIC BEVERAGES

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the second petition comes from Sarnia, Ontario.

The petitioners would like to bring to the attention of the House that consumption of alcoholic beverages may cause health problems or impair one's ability and, specifically, that fetal alcohol syndrome and other alcohol related birth defects are 100 per cent preventable by avoiding alcohol consumption during pregnancy.

The petitioners therefore pray and call on Parliament to enact legislation to require health warning labels to be placed on the containers of all alcoholic beverages to caution expectant mothers and others of the risks associated with alcohol consumption.

The Acting Speaker (Mr. Kilger): I wish to inform the House that because of the ministerial statement, Government Orders will be extended by 20 minutes.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Paul Zed (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, Question No. 7 will be answered today.

[Text]

Question No. 7—**Mrs. Wayne:**

Of the total number of merchant navy war veterans receiving benefits: (a) how many are receiving pensions under the Pension Act, (b) how many are receiving health care (in hospital or at home), (c) how many possess health

cards, (d) how many are receiving income support under the new civilian Bill C-84, (e) as there is no transition clause in this act, how many merchant navy veterans are still covered and receiving benefits under the old civilian act, (f) how many merchant navy veterans have applied for benefits, and how many have been refused?

Hon. Lawrence MacAulay (Secretary of State (Veterans) (Atlantic Canada Opportunities Agency), Lib.): (a) 282 as of December 31, 1995 (including survivors); (b) 2,097 as of December 31, 1995; (c) 2,097 as of December 31, 1995; (d) 483 as of December 31, 1995 (including survivors); (e) merchant navy veterans, like all veterans, must apply for benefits before service eligibility is determined. It cannot be known how many clients under the pre-1992 legislation would have merchant navy veteran eligibility were they to apply under the new legislation. (f) Of the 648 disability pension applications received up to December 31, 1995, 351 were declined. For war veterans allowance, including treatment only, as at March 31, 1996 there were 3,109 applications, of which 756 were declined. For the veterans independence program, as at March 31, 1996, there were 1,212 applications, one of which was declined.

[English]

Mr. Zed: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, a point of order. I would like to draw to the attention of the House that I have had Questions Nos. 8 and 9 on the Order Paper since February 28, which is 53 days. Furthermore, Question No. 9 was in the exact same form in the last session of Parliament—nothing has changed—and it sat there, I believe, for over 150 days without being answered.

The previous parliamentary secretary to the House leader assured me that departmental officials were working hard on the answer and I would have it soon.

Several weeks have gone by and I have not heard anything. It is unacceptable that I cannot get this information in a timely fashion.

The Acting Speaker (Mr. Kilger): Would the hon. parliamentary secretary care to enlighten the House on the matter raised by the hon. member for Kindersley—Lloydminster?

Mr. Zed: Mr. Speaker, as we all do on this side of the House, I will attempt to solicit the information that he is requesting. We will do the very best we can to see that the information is forthcoming in due course.

The Acting Speaker (Mr. Kilger): Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

DEPARTMENT OF HEALTH ACT

The House resumed consideration of the motion that Bill C-18, an act to establish the Department of Health and to amend and repeal certain acts, be read the third time and passed.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I rise to address Bill C-18 which prior to prorogation was referred to as Bill C-95. It has been brought back substantially in the same form, in the same place, in the same position as it was before. I do not know why we prorogued. The whole thing was a farce.

This is a housekeeping bill that we will support because it amalgamates basically two departments, the Department of Consumer and Corporate Affairs and what was formerly called the Department of National Health and Welfare. Now the government wants to call it the Department of Health.

Since this bill touches on the new Department of Health I would like to submit for consideration some comments and recommendations respecting the health of this nation, the health of the government and what the government could do to improve health care for Canadians. I am concerned that the new minister for health, like the previous minister, is not in control, that he will not take responsibility for the department and that he is letting the bureaucrats set the agenda for him.

More people are concerned about long line-ups in hospitals and getting care and attention, yet this minister makes a big to-do about attending wine and cheese parties and the possibility of banning the importation of unpasteurized cheese.

This is foolish. The bureaucracy has come up with something that is scientific somewhere, unbeknown to us in opposition. We do not know where they are going and what they are trying to do. If this was the case there would be a lot of problems in Europe, would there not? For more than 500 years Europeans have been eating unpasteurized cheese and nobody is dying. Are Canadians dying? Where are the facts? What kind of game is the Minister of Health trying to play?

• (1545)

This is the issue of the day versus cigarettes and some of the petitions presented today about alcohol and breast cancer. These are the important things, not unpasteurized cheese. Tainted blood; I will return to the Krever inquiry shortly.

When it comes to the health and well-being of Canadians, I believe the government is being hypocritical and duplicitous in its approach. Government members talk about the five principles of health care and how they will protect them. They think they are the only ones who can protect them. Who will pay for it? Reformers

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have made recommendations for health care. All the Liberals do is scoff and laugh at them: "slash and burn".

I have accused the government of hypocrisy and duplicity. Let me try to prove that with facts and evidence. I will compare one aspect of the Liberal budget with what we had in our zero in three budget.

On government spending and non-social spending we, along with the government, would probably have cut, as the government has, about \$10 billion. On social spending, the one area of established programs financing which refers to health care and education, and the Canada assistance plan, which is welfare, the total expenditure by the government in 1994-95 was \$17 billion. If we compare that with the cuts which we would have made to health care, education and welfare, the combined total in our budget was \$3.5 billion. The federal government cut \$6.6 billion in these areas, \$3.1 billion more.

Who is guilty of slash and burn? Who is giving less money to those programs which are most important to the Canadian public? Health care and education are the key foundations to any structure, especially the social structure in Canada.

When I went door to door I said we have to cut spending everywhere else to preserve the amount of funding we have for health care and education. Even in caucus many of us argued there should not be any cuts in those areas. The counter argument was to show the Canadian public the effects of the debt and the high interest costs to service the debt, how these are actually suffocating and restricting the amount of money for all programs and therefore the cuts also must touch on health care and education.

We asked those two institutions to look at some areas which could be rationalized to eliminate waste in spending. That is not something which is preferred, and yet the government has made large cuts. That is duplicity.

The government had the hypocrisy to say that it would protect health care for Canadians. It promised it would ensure portability. It argued the Reform Party had a two-tier system.

The funding for health care by the federal government, when it was first instituted, was to be maintained at the 50 per cent level. That has been reduced to 27 per cent. Now the government is saying it will guarantee stable funding two or three years from now. It is guaranteeing that \$11 billion will go to the provinces. What security does the Canadian public have that the federal government will stick to that solution?

I have a suggestion for the federal government to consider in terms of health care. We have something more. We like to highlight an alternative. This is a health care bill, after all. The alternative we are suggesting is medicare plus. We are talking about other options and improvements for the system which the federal government is too afraid to approach. It needs input. It needs debate. It is not the final Reform Party platform. It is not the final

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Reform Party position. However, it should not be rejected out of hand, like the Liberals are doing, by labelling it a two-tier system.

The objectives we have are to ensure the stability of funding and to focus our existing resources on the core and essential services. If the Canadian Medical Association, the public and the experts could help us to come up with a definition of core, we could get on to choices beyond medicare, choices which would reduce the existing line-ups.

• (1550)

The medicare we have is vital and important and is something I will always argue in favour of and I will gladly pay my tax dollars to support it. However, we must make it efficient and effective and return to the best health care safety net in the world.

We have to remove the existing funding freeze. If we can we should give more money and look at restoring the per capita transfers to the 1992-93 levels rather than what the Liberals are doing, cutting by stealth.

Maybe we should consider converting the remaining cash transfers to tax point transfers. Index growth in transfers with economic and population growth trends; keep in touch with what is happening in society.

Focusing resources was another suggestion. Canadians need to define what constitutes core, essential health care services. For a broken arm one type of cast could cost more than another. Let us guarantee the cost. If other services are needed then there may be other ways to pay for it. Perhaps other people have suggestions on how funds could be raised for that.

Choices beyond medicare, we should consider removing existing restrictions in law which prohibit choices in basic health care beyond the publicly funded health care, medicare.

This is what the federal government stubbornly refuses to do. Where medicare does not meet the needs of Canadians, they should have the option to exercise these choices by finding services elsewhere if outside the scope of the core services.

Where Canadians exercise choice beyond medicare they will be responsible for arranging appropriate, private funding of such choices either with employer-employee benefit plans, third party insurance or through private resources.

This gives the provinces the flexibility. The five principles of medicare can still be ensured and guaranteed, but it gives the

provinces some room to manoeuvre. These are things the federal government refuses to accept or even consider.

I have seen a copy of some talking points the federal government has given to its 177 members in terms of what to say on certain issues; how to brag about revisions to the MP pension plan it so proudly boasted about in the red book; that it has eliminated double dipping and that it has done this and that. Yet notwithstanding all the bragging comments, the government still has a pension plan four to five times better than that in the private sector and it still tries to justify its pension plan, the millions of dollars members will receive after leaving the House on the basis of the low \$64,000 salary in the House.

I will read one of the talking points which will show the hypocrisy and duplicity. It will give further evidence of these two words through some specific examples: "It is always intriguing to watch the right-wingers practice what they preach. The Ontario Tories have proposed a 5 per cent pay increase for themselves while slashing hospitals and social programs. At the same time, the Reform MP for Calgary Centre has proposed more than doubling MP salaries to \$150,000 while his party has advocated two-tier medicare and the demolition of seniors' pensions. Our government has different priorities".

Liberals are being told what to say out there, what to tell the Canadian public. This is so hypocritical and so duplicitous, it forces me to address this. I take exception to the use of political partisanship and the political game to this extent.

It says the provincial Tories have proposed a 5 per cent increase for themselves where they just announced they have rolled the MPP pensions into compensation and above board, taxable, look after yourself, thank you very much type of job. In fact, they have done the exact opposite. It is a 5 per cent decrease, according to the MPP pension plan in the Department of Consumer and Corporate Affairs.

• (1555)

The nerve of the government saying right-wing provincial governments slash hospitals and social programs. Excuse me, does it not realize who gives them the money? Does it not realize who is supposed to help fund social programs, hospitals and education? Who receives \$7 billion less for education, health care and welfare? It is the provinces.

The government brags about the cuts it has made to program spending. All it has done is give the provinces less, which then in turn have to find the ways and means of delivering the same level of service they did before with less money.

Who gets rocks thrown at their windows? Who gets the rallies and the special interest groups complaining about what is happen-

ing? It is the provincial governments of Alberta and Ontario. They are the ones that get all the rallies, not the federal government. The federal government has been very smooth and good at reducing transfers to provinces, making them come up with the solutions, making the provincial governments the guilty party and at the same time increasing transfers to individuals.

The federal government has slashed spending to hospitals and education to the tune of \$6.6 billion versus what we would have done, only \$3.5 billion.

The government talks of compensation. It refers to me, the member for Calgary Centre, that I recommended doubling MP salaries. That is another hypocritical, duplicitous and self-serving statement. Every member knows the compensation in the House. They know the compensation consists of \$64,000 on a yearly basis. There are two tax free allowances which we all get of \$29,000. If that were transparent and taxable like everybody else's in the country, such as teachers and professors, that alone would equate to around \$120,000.

I have not recommended doubling the salary to \$120,000. What I am saying is that what members in the House already receive as salary is probably close to between \$120,000 and \$130,000.

All I am asking is to quit justifying this gold plated MP pension plan on the basis of one part of their salary when there are more parts to that salary than they pretend. That is hypocritical, that is duplicitous, it is self-serving and it is not coming clean with the Canadian public. I for one will not stand for.

I think it is stupid that any member of Parliament uses arguments like that to convince people of the sacrifice they have made to justify the millions of dollars after they leave the House. I find that offensive and I will never defend something like that.

I have given up an MP pension plan here. I will never qualify for one no matter how long I work here. I have to look after myself. I appreciate the government's doing that but even there it played a stupid game. It restricted future members from not being able to opt out. It gave it only to this crop of honest MPs from the Reform Party who stood on principle and put their money where their mouth is; but not this government.

The government says it has different priorities. You bet it does. Its priorities consist of broken promises, distorting the truth or exaggerating the truth, bragging to the public about its achievements.

Broken promises; it promised to protect civil servants and fired 44,000. It promised to renegotiate NAFTA and endorsed it carte blanche. We all know about the GST promise. Members opposite, members within the government are being kicked out because they know what they said door to door. They did not go door to door reading page 22 of the red book. Everyone of these hypocritical members of that party knows that.

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For the Prime Minister to stand in the House today and say "read page 22, that is what we said", is a bunch of crap, and he knows it is crap. That is not what they said door to door. That is broken promises. That is hypocritical. That is duplicitous. That is self-serving and that is not coming clean with the Canadian public.

Talk about distorting the truth, they say Reformers would cut \$25 billion in one year. That is not true. We would not cut \$25 billion in one year. The truth is we would have cut \$25 billion over three years.

• (1600)

Some hon. members: Oh, oh.

The Acting Speaker (Mr. Kilger): The hon. member for Calgary Centre may not mind it but I am having a devil of a time trying to listen to everybody at once. It is in the best spirit of debate in this House that whoever has the floor be given the opportunity to speak clearly without interruption.

Mr. Silye: Mr. Speaker, I know I have hit a nerve when they start yelling. I know I am hitting the truth when they start to rebut.

I was giving examples. I am not trying to inflame or exaggerate; I am trying to be factual. I have given examples on distorting the truth.

Who is slash and burn? Not us. It is this government unloading onto the provinces and bragging to the public about its achievements on deficit elimination, deficit reduction, that they broke the back of the deficit. If a \$30 billion deficit is breaking the back of the deficit, if projecting a \$24 billion deficit next year is breaking the back of the deficit, if adding \$111 billion to the debt is putting Canada's financial house in order, we damn well do need a new finance minister. We need a new CEO and a vice-president of finance because these two people are doing this country a great disservice.

Worst of all this government has different priorities which really frustrates me. The government has the priority of cover-up from the department of defence where it covers up on Somalia. Here is a minister who gives instructions which are not even followed. Is that respect? He is out of control with his department just as the Minister of Health is with his.

The Krever commission was set up to find out the truth. I have a letter from a lady whose husband died as a result of tainted blood. She also has it now because they did not come clean with her and tell her what was going on. They did not provide adequate information to prevent her infection. This lady is going to die and what does the government do? What does the justice minister do? They comply with all these idiot groups that want to ban the release of what the Krever commission is finding out. Is that serving the Canadian public?

Something went wrong. Do Canadians not have the right to know what went wrong? We are not looking to jail anybody, we just want

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the truth. We want to know what happened and when it happened. The government should be embarrassed about that. If that is the kind of government the Liberals like, if those are their priorities, they are welcome to them.

I would have nothing to do with this. It is frustrating. I heard the Liberals say one thing in opposition. I read about it and heard about it and now the Liberals are the same as the Tories. They are doing what they want in government. It is not right.

This country deserves justice. It deserves honesty from its politicians. It deserves more than simple rhetoric, saying one thing to get elected and then laughing and doing something else once there. The Canadian public deserves more and it can get more. There are more Liberal backbenchers with more integrity than any I see along the front line of this House of Commons.

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, I note with some interest that the member mentioned our country's blood supply system. The important Krever inquiry has been put into place because the Liberals in opposition called for it and saw fit to put it in place.

The member's colleague from Port Moody—Coquitlam discussed the blood system at some length earlier in the debate. I want to assure all members that a safe and secure blood supply system is of critical importance to me as well. It is an issue I am fairly familiar with. It has been a horrible piece of our history which we need to address.

Both members have forgotten, or perhaps they have chosen to overlook the fact that this government is taking a leadership role on the issue of the blood supply system. On March 11 the Minister of Health announced his initiative to put a plan of action in place in order to be prepared when Justice Krever submits his final report. On the interim recommendations of Justice Krever, the Minister of Health has already put in place a number of those recommendations to make sure the system is cleaned up.

This is a leadership issue. That is what the Reform members and many Canadians have called for, leadership. In the course of this debate I have not heard what the Reform Party would do on this critical issue. Perhaps the members opposite could share very specifically with this House their proposals to improve our blood supply system. What is the member's idea for what we can do to show leadership? What would he do on the blood supply system if he were in government?

• (1605)

Mr. Silye: Mr. Speaker, I compliment the hon. member on her position on the blood inquiry. I do not find that I disagree very much with what she said. It does bother me though and I do question whether she got my point about duplicity, saying one thing and doing another.

The member stands up and brags about how it was the Liberal Party that commissioned the inquiry. She then fails to go ahead. She is like the finance minister; he only does one side of the equation and never does the other side.

The other side of the equation is: Why will the government not allow the information the commission is gathering, the facts of the blood inquiry it is receiving, to be released? Why is the muzzle being put on by the government? The member may brag about striking the commission and putting it in place, but why will this new information not be released?

The member asks what I would do if I were the Minister of Health. I would need all the facts before I would make a decision. One thing I know I would do is I would make sure to have something in place before all these victims died. Perhaps there are as many as 12,000 victims, I do not know.

A personal friend was affected by this and he died at a very young age. He was just a boy and got tainted blood. It really comes close to my heart when I see this. These families are victims no different from and no less than victims of crimes by weapons or physical abuse. This is something serious. I would have at least addressed the victims. I would have told them how they would be compensated and when and what would be left for their families when they passed away so that there would be some security in the future. That is not being addressed. That is being avoided. The hue and cry out there is for that to be resolved.

I would not muzzle the final report of the commission. I would allow for its timely release and would let the cards fall where they may. For those who were supposed to be responsible, those who did a good job would be complimented. Those who did a poor job would be reprimanded. Those who were guilty of any criminal actions would then pay the price for it, nothing more, nothing less. A lot of people are dying.

Those are the things I would do. I am not a medical expert. I do know that the system and a whole department has come under question. The Canadian Red Cross, my gosh, I have always looked up to that organization. I have given blood and I still do.

If something happened, tell us what happened so we can avoid it in the future. There is nothing to run and hide from. Why cover up? That is why I am accusing this government of cover up. That is what it is doing.

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, to address some of the comments the hon. member has just brought forward is very significant. Before coming to this place, I came out of the health care profession and I had dealt internationally with Red Cross centres and blood supplies around the world.

Hindsight is wonderful vision. In the early eighties when we were reading the scientific literature regarding HIV and all of the

proposals that were coming forward there had to be a judgment call: Is this significant enough to test at this point; is the test specific enough to identify this particular virus if it can be called a virus? It is an example of a microbe that encapsulates itself and changes over time. It is not something that can be pinpointed very specifically, identified, chased down and a concoction found that would immediately cure or prevent this very dreadful disease. Back in the early eighties it was very much a judgment call. Looking back, perhaps we did not make the best judgment as early as we should have in the history of our blood supply.

I would remind the hon. member for Calgary Centre that the Canadian Red Cross is one of the most honourable institutions in the world. It is one of the most highly respected blood supply sources.

I have worked in that field where there are transmissible diseases such as hepatitis, AIDS and many other things we cannot even begin to test for or identify. We go through a spectrum of tests which is broad enough and significant enough that we can guarantee Canadians and whoever else across this world uses our blood supply that we are giving them the best product that can be tested and identified in the marketplace today.

• (1610)

I have worked internationally in other blood supply systems. It is like setting an aeroplane and navigation system. If one makes the system so absolutely perfect that it is foolproof, there would never be a child flying to Disneyworld to see that great and wonderful spectacular event. Yet we can do things within a realm of safety and predictability that we provide a product which is safe and available for those in need of health care. There will come a time when we have a synthetic and artificial blood supply that can transport oxygen throughout the body and maintain a healthy body without the risk of those transmissible diseases.

The Canadian Red Cross may not be perfect. Perhaps it did not make its decision soon enough to trust that international literature and scientific reports were significant enough that we should challenge and start testing, although it was not as specific or as good as it should have been at the time.

I would challenge the hon. member. There is a lot to be thankful for in our Red Cross in the safety and respect it holds throughout the world in this very valuable blood product.

Mr. Silye: Mr. Speaker, I appreciate the comments and the intervention by the hon. member. I found that her from the heart, off the top of her head defence of the Canadian Red Cross and of the blood system and relating to us her past experience were very admirable. An even better compliment is that it was much better than the department's canned speech she read a couple of weeks ago. Maybe she should speak her mind more often and we would

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all be better off based on her wisdom and her knowledge. This House could benefit from it, with respect.

The member knows darn well that I am not criticizing the Red Cross. I am criticizing a system that has been set in place. The information has to be gathered and should be shared with the many people who suffered. The victims of the tainted blood want to know what happened. That is all they want to know. I do not think they want to go on a witch hunt. They just want to know. I do not know why this government is catering to the former ministers of health, the pharmaceutical agencies and the people who are now filing legal petitions to prevent this report from being made public. That is the part I do not understand.

My point today in debate was to point out that this government is hypocritical in its actions and is duplicitous in the self-serving rhetoric it uses. I tried to give specific examples. A lot of the time the rhetoric is good. In fact a lot of time it is the same as ours and I would swear that the government stole some of our speeches, but its actions are not the same and do not match the rhetoric that it uses.

That is a disservice to the Canadian public. It is a disservice to the government. Canadians are much smarter than a lot of politicians give them credit for. In our isolated little world here we tend to believe what we see on TV, what we read in the newspapers, the national media types. We think that is what is important but it is not. What is important is the grassroots. Our constituencies are what are important and we should always stay in touch with them.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am pleased to speak on Bill C-18 sponsored by the Minister of Health. It is an act to establish the Department of Health and to amend and repeal certain acts. The substance of the act is ostensibly to take into account the reorganization of Health Canada to operate now as Health Canada as opposed to health and welfare.

There subsequently have been some changes to the original bill. One had to do with ministerial responsibility. There has been an important motion made to amend Bill C-18 in a way that will continue to ensure ministerial accountability under the laws of Canada.

• (1615)

Canada has the best health care system in the world. That is undeniable. There are five principles of the Canada Health Act. One of those principles is universality: health care is available to all Canadians. I will speak more about that a little later on.

The second principle is public administration. The third principle is portability which means that people can receive the health care services they need regardless of where they live or where they travel in Canada. The fourth principle is accessibility. This ensures that health care is reasonably accessible for the important health

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care needs of Canadians. The final principle is comprehensiveness. This means that our health care system continues to provide the broadest range of essential or necessary health care components to Canadians.

These are the five principles which the Government of Canada and the Minister of Health continue to talk about to the Canadian people. They also talk about its implications to Canada as a country.

There has been a lot of discussion about the possibility of things like extra billing, user fees or some other special arrangements but that is not the philosophy or the principles of the Canada Health Act.

The Canada Health Act and its five principles are a very important component of Canadian unity. They are principles which I believe have made probably the largest contribution to keeping Canada together and keeping it strong and united. It is a fibre that transcends all partisan politics, notwithstanding the comments just heard from the previous speaker.

The Canada Health Act represents an instrument of the Canadian government. It represents the principles that we want to share with all Canadians, features such as helping those most in need first. We want to make sure that under any circumstance Canadians will never feel alone when it comes to their health care and other social needs.

We want to make sure Canadians understand that in our health system, the best system in the world, they will receive health care not because they have money but because they are sick. That is a principle and a value of which I am very proud and about which most Canadians are very proud.

The previous speaker talked about long line-ups in hospitals and a number of other things. I want to comment briefly on line-ups in hospitals. I spent a number of years as a trustee for the hospital in my community of Mississauga, the Mississauga General Hospital, a 600-bed facility with an excellent, well-trained and well-qualified staff.

A tremendous metamorphosis in health care has taken place over the last decade. The changes within the health care system are substantial in that there was, as evidenced, a shift or a reduction in the average length of stay by patients in hospitals from somewhere in the neighbourhood of 7.2 days average to about 4.2 days. That represents a very significant efficiency, a productivity improvement and a savings to the hospital environment to deliver care.

During that period, the Mississauga hospital reduced the number of beds from some 600 down to below 500 beds. However, in terms of the statistics, the hospital continued to serve more patients than it did as a 600-bed facility. One of the critical reasons for that has to

do with the shift in philosophy toward ambulatory care. It used to be that one would go into the hospital and prepare for a surgical procedure maybe a day or two in advance and stay a little longer. Now one goes in a little later, the day of surgery, and then goes home early enough to convalesce in one's home environment, which the medical profession has found to be a more conducive environment to the healing process. The other aspect of the shift to ambulatory care is basically for people to receive their services and then move out. All of this has resulted in substantial savings to the health care system over the years.

• (1620)

The funding of hospitals is a joint responsibility between the federal and provincial governments. Through the transfers to the provinces, the federal government funds a very substantial portion of health care costs but it is administered and managed by the provincial governments. Through that administration certain funds are granted for capital purposes as well as for operating budgets.

It is up to the provinces to deliver the capital and the operating revenue necessary under certain guidelines concerning which they have some discretion. However they have no discretion with regard to the five principles of the Canada Health Act.

The savings that were achieved over these many years as a result of improved technologies, of care giving and medicine, of the shift to an ambulatory based system and simply due to productivity improvements in the health care sector, went to benefit the provincial governments. As announced by the Minister of Finance in his first budget two years ago, changes were made in the transfers to the provinces with regard to the various elements of the transfers. It is now called the Canada health and social transfer.

The federal government never got benefit or credit for those savings or efficiencies within the health care system. They were all left to the provinces. This ensured they had the kinds of tools necessary to maintain, protect and defend the principles of the Canada Health Act. Now the government must make sure it is doing even better and will continue to do better with the limited dollars available for all spending purposes and for the health and welfare of all Canadians.

I would like to highlight a couple of features of the Canada health and social transfer. This instrument and the so-called block funding was created by a situation to do with the combined value of the cash transfers to the provinces as well as tax points, or the ability to tax at the provincial level.

One thing that occurred was that the cash component of those transfers was beginning to be reduced. In circumstances where provinces had violated certain principles of the Canada Health Act, the federal Minister of Health would have stepped in and after some review and time for correction, would have withheld certain

amounts of cash transfers to the province, until such time as the province desisted from a particular activity.

As long as there is a cash component in the transfer to the provinces, the federal government has the opportunity to enforce the principles of the Canada Health Act. However, it was very clear that in time the cash component would disappear. In fact, the federal government would not have an opportunity to enforce the principles of the Canada Health Act.

As a result, the combination of various levels of transfers, not only for health but for post-secondary education and the Canada assistance plan, does provide some latitude where cash under all of the block funding will be available for an extended period.

Since that time the finance minister has also put in place as a result of the budget a new funding arrangement that provides an iron clad guarantee that the cash cannot fall below \$11 billion.

Fiscal responsibility was an issue about which the previous speaker wanted to spend quite a bit of time talking. The federal government has shown a continued, strong and unwavering commitment to the five principles of the Canada Health Act and an unwavering commitment to ensure there is a cash component available to the provinces so they can continue to administer the health system and still respect the five principles of the Canada Health Act.

I want to make a comment about some other items, having been a member of the House of Commons Standing Committee on Health since January 1994. The committee has looked at a couple of areas and the member touched on them, for instance, cigarettes. The members of the committee looked at health warning labels on tobacco products, as well as plain paper packaging. There were a number of other initiatives which the committee has considered because of statistics, such as 40,000 Canadians die each year as a result of tobacco use.

● (1625)

These issues are important to Canadians. They want us to continue to look at ways in which we can provide cost effective health care and also shift the emphasis away from cures and remedies to prevention. That is the important issue.

Today Canada spends approximately 75 per cent of its health care dollars on curative or remedial approaches and only 25 per cent on prevention. It is becoming very evident that to continue spending money at those levels is unsustainable. Ways have to be found to shift those dollars into the preventive sphere so that savings can be achieved and the costs which will be incurred forgone if certain products are not used more responsibly in our society.

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Tobacco is one of those products. Another which is very important to me these days has to do with alcohol consumption, and particularly the misuse of alcohol. My private member's Bill C-222 calls for health warning labels on alcoholic beverage containers.

A number of people have asked why I am doing this. The answer is painfully obvious to many Canadians. In fact, some 19,000 people die each year from alcohol related causes. Alcohol costs Canada approximately \$15 billion in health care costs, social program costs, criminal justice costs and productivity. Fifty per cent of family violence cases are related to alcohol abuse. One in six family breakdowns are related to alcohol abuse. Thirty per cent of suicides are related to alcohol abuse. Forty per cent of automobile accidents are related to alcohol abuse. I could go on and on. Everyone knows how terrible it is in our society. The costs are very significant.

The direct alcohol related cost of some \$15 billion is only a portion of it. The ripple effect and the impact on families and friends is far more than \$15 billion.

Five per cent of birth defects are caused by alcohol consumption. There is a problem known as fetal alcohol syndrome. Medical expenses incurred during the lifetime of a fetal alcohol child cost Canadians approximately \$1.5 million. Fetal alcohol syndrome costs Canada approximately \$2.7 billion a year. Another problem is known as fetal alcohol effects. It is very similar to fetal alcohol syndrome, but it does not have the same physical effects. However, it occurs two to three times more than FAS.

This is the kind of thing at which the health care system has to look. We are talking about tens of billions of dollars in expenses because products are misused. People do not take care of themselves or they do not make positive lifestyle choices.

These are the things which are important to Canadians. They want to ensure that health care dollars are spent wisely and that we look at ways to save money on direct health care, as well as reducing the demand on the system so that we can ensure its long term sustainability for all Canadians for generations to come. That is the important message.

I have listened to other speakers. I understand the role of opposition members and that they have to be critical of the government. However, I do not understand how partisan speeches can be given in the House which talk about hypocrisy, duplicity, broken promises and cover-ups, and then attempt to talk eloquently about the blood commission.

The blood commission affects many Canadians. It is very tragic. I want all Canadians to know our blood supply system today is safe. Immediate steps were taken to ensure the safety of our blood supply system.

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• (1630)

However, that does not relieve us of the responsibility to have an inquiry, the Krever commission, to look at all of the things that happened during that period to ensure we understand what happened, that we make sure there is nothing left to correct, to ensure there is no future risk to our blood supply system. Those are the things that are important.

Canadians need to have that confidence level. They need to have the feeling we are doing the right things. I do not think they got it from the comments made by the previous speaker who tended to suggest that somehow there were still problems here.

Anytime is a good time to get the facts right. If it takes more time to make sure they are right so we can have the correct information in order to make correct decisions, then I say we have to move on with this.

The commission is doing its work. The same can be said with regard to the Somalia case and members' compensation, which the member wanted to talk about. He showed a tremendous amount of frustration but I do not want to fall into that trap.

I simply want to reiterate for all members and for all Canadians that the Canadian health care system is the very best in the world. We are the envy of every other country. We have principles which the federal government is committed to defend and to protect. We will never leave any person in Canada without the protection of our health plan.

The principle all Canadians should remember is that in Canada health care will be available to you not because you have money but because you are sick. The Prime Minister has made that commitment. I trust the Prime Minister and I know Canadians trust the Prime Minister.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I thank the member for Mississauga South and the member for Calgary Centre who both touched on a very important aspect of the Krever commission debate on Canada's blood supply. However, they did not explore it as fully as I would like to in my remarks.

We sometimes have the problem that rhetoric gets in the way of a clear discussion of the consequences of events evolving around us. In the case of the Krever commission and the Somalia inquiry, the issue of the destruction of documents has been repeatedly raised. This is a central issue to the accountability of all government departments, including the accountability of Health Canada.

If officials are allowed to destroy documents without fear of severe consequences, not only would the public be denied access to the truth but there would be no such thing as ministerial accountability. How could a minister know, be it the minister of defence or

the health minister, what was actually occurring if officials were destroying documents and preventing people from getting at the truth?

It is not just an issue of whether the media, the press or even MPs have access to the documents that tell the story, perhaps a very terrible story, the issue is whether the minister actually has access to these documents.

The Access to Information Act contains no provision which specifically applies sanctions to government officials' destroying documents. This is a terrific omission. I will say publicly that the information commissioner, John Grace, has done a wonderful job in bringing before the public the entire issue of the destruction of documents.

This is a very essential issue, essential to our very democracy, this question of whether officials, elected or unelected, can cover-up accidents of incompetence, to use the words of the official opposition. We are probably talking more about incompetence than malfeasance here.

Unfortunately not only is there no provision in the Access to Information Act to prevent this, there is no other provision save for one clause. I do not remember the section number, but one section in the Criminal Code forbids government functionaries from deliberately wilfully destroying documents. However, the penalty is less than two years.

• (1635)

Opposition parties as well as government members would do well to pay very close attention to this failure in existing legislation to protect Canadians, to give Canadians the opportunity, be they elected officials or ordinary Canadians, to have access to the truth of what goes on in the events that affect them the most.

I cannot prejudge the findings of either the Somalia inquiry or the Krever inquiry, but at issue here is not just what the truth was but whether the truth will ever be available to Canadians. On issues in all ministries, certainly in Health Canada, because decisions are made that affect human lives, we as Canadians need the opportunity to examine those decisions.

I use the analogy of mad cow disease in Britain. Certain decisions were made by both government and bureaucrats that have put in jeopardy about \$11 billion in the economy and possibly human lives as well. We need the opportunity when major government departments are making decisions on our behalf to examine them to make sure those decisions are being made wisely and well.

I think the member for Mississauga South would support me in suggesting that changes to the Access to Information Act would be of great assistance to giving the kind of accountability we demand of the best health service in the world, Health Canada.

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Mr. Szabo: Mr. Speaker, the member certainly does raise some interesting points. He said them quite well and I will not try to elaborate.

However, I note from an extract of *Hansard* of November 18, 1992 that the member for Cape Breton—East Richmond, the current Minister of Health, speaking to the then Minister of National Health and Welfare, called for a public inquiry into the blood supply conducted by individuals of the highest calibre and qualifications.

On that basis I have absolutely no question in my mind the health minister is fully committed to dealing with the blood supply issue in the most thorough and open fashion possible.

On March 11 of this year the minister did announce that he is calling on the partners in Canada's blood supply system to discuss how to redefine and renew the blood system. The minister has reaffirmed that all the partners in the blood system, including consumer groups, must work together to plan and provide for the preparation of the final recommendations of the commission of inquiry on the blood system in Canada.

I do not want to belabour it, but I know the minister absolutely concurs with the member that information must be on the table. We are prepared to receive, now that we have the interim report of Justice Krever, the final recommendations to move forward to ensure we have a safe and secure blood supply system in Canada.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, the member for Mississauga South is obviously very well versed on health issues. I bring the following proposition to his attention.

[*Translation*]

These past few weeks, the Minister of Health has been criticized by Bloc Quebecois members, and the Bloc's critic for health in particular, for his initiative concerning cheese made from raw milk. I am one of those members who represent rural ridings. Of course, prima facie, nobody wants stricter rules to be imposed on any industry, especially not one located in our own electoral riding.

At any rate, the health minister did bring this issue to the attention of the House, or rather submitted it through the regulatory process to seek the public's opinion.

[*English*]

I bring the following to the attention of the House. I do this with the concurrence of my electors. A constituent of mine, Mr. Robert Redmond, son of Mrs. Barbara and Mr. J.P. Redmond of Vankleek Hill, Ontario, is presently in a hospital in Toronto recovering from having contracted listeria bacteria, apparently from having consumed raw milk cheese. This person is now paralyzed.

• (1640)

I ask my colleague if he does not agree with me that as difficult as this issue is, the Minister of Health is right in at least gazetting this particular regulation to make sure that in a responsible way, which he is as the minister, that all sides of this issue be heard.

I have more constituents who are dairy producers than anyone else in the House—

[*Translation*]

Mrs. Picard: Mr. Speaker, we are here to discuss Bill C-18, not raw milk cheese. I think the hon. member is out of order.

The Acting Speaker (Mr. Kilger): With all due respect for the hon. member, the issue of relevance is always a difficult one. A degree of flexibility comes into play. While the debate is on the critical issue of health, I think that the member can raise a health related issue.

As I just said, with all due respect for the hon. member for Drummond, this is a matter of debate; it is not a point of order.

[*English*]

Mr. Boudria: Mr. Speaker, does my colleague not agree with me that the minister acted responsibly in ensuring this issue was gazetted and permitted that consultation to ensure that on one hand my dairy producer constituents are protected and that on the other people like Mr. Redmond, this young person paralysed in hospital today, also receive the protection of our health care system, and that the minister, knowing these issues are important, brought it to the committee?

Would my colleague not agree that the minister in his power under this act did the appropriate thing in referring this issue to the gazetting process which permits that kind of consultation with Canadians?

Mr. Szabo: Mr. Speaker, the chief government whip raises a very important and timely issue. He is quite correct.

As the minister indicated, we want to get all the facts and listen to Canadians before any decisions are taken. That is why he sent out draft regulations for a 75-day comment period.

The government is not prepared to take risks with the health and safety of Canadians. Evidence suggests there may be increased risks of illnesses or disease when consuming cheese made from raw milk. Obviously from the example cited by the hon. member, this is a very important issue and I know it will receive due attention and care by the Government of Canada to ensure the health of all Canadians.

[*Translation*]

The Acting Speaker (Mr. Kilger): It is my duty, pursuant to Standing Order 38, to inform the House that the question to be

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raised tonight at the time of adjournment is as follows: the hon. member for Mercier—unemployment insurance reform.

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, I am pleased to address this bill which seeks to create a superfluous department—

An hon. member: Superfluous?

Mr. Fillion: Yes, superfluous. This bill will allow the House to spend over \$1 billion and to hire 8,000 people before even treating one person and taking one medical action regarding a patient.

I can understand that members opposite are a bit touchy when questioned about the establishment of such a department, which brings nothing new and which favours overlap more than anything else.

• (1645)

These people of course are very sensitive; they get touchy when we raise this issue. All the more so because a debate like this one allows us to point out some electoral promises in the red book that have still not been kept. When we do that, they fidget and get upset.

The establishment of this department shows us once again that the federal government seeks to act in an area of jurisdiction where it has no authority. I say it once again because this is not the first time this happens, since the House has considered bills to establish other departments also.

Yet, the minister would have us believe that this is an act without much importance, that this is no big deal, as we say where I come from, and that the bill's aim is simply to change the department's name. Nonsense. It is more than that. I will take a few minutes to demonstrate that this is not true.

When we read the bill and look at paragraph 4(2)(a), describing the minister's powers, duties and functions, we have to pay attention, because that is what the whole bill is about.

This provision says that the promotion and preservation of the physical, mental and social well-being of the people of Canada will be ensured by the department. What a fine plan of action. With such a mandate, however, the minister is using the physical, mental and social well-being of the population to interfere even more in the area of health. This is the federal government's excuse for claiming a legitimate authority over a matter of exclusive provincial jurisdiction. This issue has already been raised in this House, and it has also been raised in other legislatures throughout Canada.

Discussions over this intrusion clearly show that everybody is fed up. The BNA act of 1867 provides for provincial primacy over health. That provision has not been amended, as far as I know. The

federal government does not have any power over health except what flows from its spending power, which it interprets in a such a way as to set up departments in areas over which it has no jurisdiction whatsoever. The federal spending power is a licence to do as it pleases.

It is also because of this spending power that this government and the previous one have accumulated a huge debt. While driving us ever deeper into debt, this government is reducing transfer payments to provinces. These payments are being constantly reduced, yet they are made under certain conditions. The provinces can lose them if those conditions are not met. And successive budgets have made cuts.

• (1650)

Let us consider what happened recently in British Columbia, where new welfare measures and structures were put into place. Since these structures and measures did not meet national standards, the Minister of Human Resources Development told the provincial authorities that they would suffer the consequences if they did not move toward those standards, because there would be cuts.

In fact, I do not think that this situation has been resolved. In fact, negotiations between the federal government and that province are still going on. These negotiations are time-consuming and extremely costly. In the meantime, the recipients, the people in need, are getting low quality, substandard services. Therefore, within specific programs, the money allocated to the people in need is not totally spent on them. If we take into account all the money that is spent on management and on discussions at various levels, what is left? Very little, only half of what should have been allocated to the programs and gone directly to the citizens.

However, a lot of existing acts ensure that the doors are wide open—and I say wide open—for the health department to intrude on areas under provincial jurisdiction. There are, for instance, the Criminal Code, the Narcotic Control Act and the Food and Drugs Act, where the central government is getting fully involved.

Of course there is duplication in health care. I have always wondered why members of the armed forces were not treated by the same physicians as everybody else. Why was this kind of health care system created within the armed forces? You certainly know that the army has its own physicians, its own dentists and its own psychiatrists. They have a parallel system for every type of health care service found in a province.

Imagine the costs. Imagine the savings we could make if these people used the services provided by the provinces. But no, the army had to build this large structure that cost a lot of money. Moreover, the army had to have the required infrastructure to accommodate these people, so it built military hospitals across the country.

Let us not forget about the social health services that are mainly for aboriginal people and residents of northern Canada. This is all duplication. Since aboriginal people are under federal jurisdiction, the health department is responsible for them. Duplication, overlap, and at what cost?

I can easily understand why our debt is growing so rapidly. Canadians are making the necessary effort to pay taxes in order to reduce this debt, but the government is not doing what needs to be done. It is creating parallel structures while we can barely pay the interest on the debt.

• (1655)

The federal government has no right to interfere in these areas, but it is doing so anyway. It is doing so with Bill C-18. It wants the right to interfere in the area of health care. This is just one more instrument to launch debates between the provinces, debates that lead absolutely nowhere. Let us leave these rights where they belong.

If members look at the funding aspect, they will see that something is wrong in this bill. Members will recall that transfers to the provinces do not come from the health department but from the finance department.

This is a situation I would call ludicrous. The Department of Health will set its national objectives, the standards to be met if the provinces are to get their money, but it is the Minister of Finance who eventually—although the cost has not yet been calculated—will make the decision, depending on what he wants to have as a deficit or a debt. He will decide what amount will be transferred. He sets the amounts himself without assessing the costs of the national standards.

Putting it more clearly, this means that the Minister of Health tells the provinces what they need to do, and then the Minister of Finance hands over the money: “Manage with that as you can”. Obviously, reducing transfer payments indicates a lack of cohesion somewhere. The objectives remain the same, but cannot be met if the financial resources are not there.

In Quebec, what is transferred or not transferred, depending on the mood of the Minister of Finance, is tax points. Naturally, in the aftermath of the massive cuts to health and the Canada transfer to the provinces, Quebec will soon be receiving no more real money, just tax points. What does that mean? It means that the government will have to either limit services or increase taxes in order to provide quality services, yet with less money.

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What makes the situation ridiculous is that, once again, the federal government will continue to dictate to Quebec what it must do, while the federal government will not cough up one cent more.

Contrary to what one might think, the Minister of Health plays a very great economic role as well. That economic role has repercussions within each region. When there is a shortfall somewhere, cuts somewhere, the entire population, the entire region feels it. In Health Canada's 1995-96 main estimates, it indicates financial requirements of a little more than \$1 billion for operations.

Very often, as I said at the beginning, when that money is spent on infrastructures or discussions here, there and everywhere, there is very little left for medical care for Canadians.

I would also like to focus on the national forum on health, held in October 1994, when we were here in this House.

• (1700)

It was obvious that this government wanted to increase its involvement in the area of public health. Visibility was the watchword of this forum. This government tries to pounce on everything that moves to increase its visibility. Instead of increasing its credibility, it increases its visibility. Flags are going to be flown all over the place; we are inundated with flyers from each department; they are very visible. But when the time comes to provide health care, the government is no longer visible. It does not believe in high quality care. It would rather have little red flags on paper, brochures, and cheques instead of improving its credibility.

It is no wonder so many people no longer trust politicians. It is very simple. When you do not take any action, when you act solely to be visible, you cannot expect any other outcome.

As a matter of fact, as far as the national forum is concerned, I remind the House that every single province, not only Quebec, openly criticized the government's attitude. Why? Because the government wanted them to play second fiddle with regard to health. In this respect, many people can be quoted. The Conservative health minister in Ontario criticized the federal government, saying that the federal government's attempt to impose its own interpretation of the health care principles should be opposed.

The Conservative premier of Alberta was of the same mind. He condemned the inflexibility of the federal government in that area.

Furthermore, this government reneged on one of the red book promises. Let me quote it. It is said in the red book that “a Liberal government will establish a National Forum on Health”, up to here everything is fine, “chaired by the Prime Minister”, imagine, the Prime Minister himself will chair the forum, downplaying all other participants, but even that would have been acceptable, “bringing

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together for public discussion the major partners and parties involved with the health of Canadians". So everybody was to be on the same level, talking about health problems, with a moderator in the centre who just happens to be our Prime Minister.

In spite of this firm commitment, again stated clearly in the Liberals' red book, the federal government refused to let the provinces participate fully in the proceedings of the national forum on health.

This government wanted to grant provinces observer status only.

As you are indicating that my time is almost up, I will conclude with the following. The provinces are should be the main players as far as health is concerned. The central government should review its intention to cut the Canada health and social transfer. It should no longer offload the deficit onto the provinces. Why? Because this impacts on the quality of health care and adds to the financial burden of each and every Canadian.

• (1705)

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Madam Speaker, I rise to speak, at third reading stage, on Bill C-18, an act to establish the Department of Health and to amend and repeal certain acts.

I believe it is essential to remind my fellow citizens that health is a provincial jurisdiction under sections 16(7) and (16) of the BNA Act of 1867, and the interpretation given to it by the courts. It is clearly established and recognized that health and social services are exclusively under provincial jurisdiction. However, the federal government has often intruded in the health sector, over the years.

Since the beginning of the century, the federal government passed the following health legislation. In 1919, it created its health department and gave its first grants; in 1948, it put in place a national program of health grants; in 1957, it passed the federal act on hospital insurance, in 1966, the medical care act and, in 1984, the Canada Health Act that superseded the 1957 and 1966 acts.

Moreover, this act established the federal principles governing the Canadian health system, enacted national standards and, by the changes it imposed, limited Quebec's autonomy. Bill C-6 of 1984 set out the criteria to be met by the provinces, including universality, accessibility, portability, public administration and comprehensiveness. Otherwise, the federal government might withhold its financial contribution to health care.

The Quebec government has always condemned federal meddling in the area of health. In 1926, the Taschereau government—a good Liberal government, needless to say—was the first one to oppose federal interference in health care, and all successive Quebec governments have followed suit.

Although the health and social service system appears to have originated in Ottawa, it was only used as an excuse by the federal government to gradually encroach on an area of provincial jurisdiction. Every federal intrusion in health care forced the

Quebec government to respond in order to regain full control and assert its determination to exercise its authority in an area under its exclusive jurisdiction.

Let me remind the House, for example, of two great moments in Quebec's history with respect to health care. In response to the Hospital Insurance and Diagnostic Services Act passed by the House of Commons in 1957, Jean Lesage, then the Liberal premier of Quebec and a former minister in Lester B. Pearson's federal government, set up Quebec's hospital insurance plan, which was approved by the National Assembly in 1961.

After the House of Commons passed the Medical Care Act in 1966, Robert Bourassa's Liberal government introduced the health insurance act, which was adopted by the Quebec National Assembly in 1970.

Over the years, the federal government's meddling cost taxpayers more and more money. Ottawa could afford to be generous as it was using the provinces' money or buying on credit through its own unlimited spending powers, which played a large part in getting all of us into debt.

May I remind the House briefly that, during the second world war, the federal government invoked the war effort to encroach on the area of corporate and personal income taxes, which was then under provincial jurisdiction. This measure, which was supposed to be temporary, is still in place. The federal government has clearly succumbed to the temptation of exerting greater control and, instead of giving back to the provinces the taxation powers they enjoyed before the war, granting subsidies linked to the establishment of federally approved programs.

• (1710)

By exercising such control over tax revenues, the federal government has been able to keep on centralizing, which caused untold duplication and shameful squandering of taxpayers' money. Worse yet, to make sure they would remain in office, generation upon generation of federal politicians distributed presents, even if it meant putting future generations of Quebecers, Canadians and, just for you, Madam Speaker, Acadians, into debt.

In the report of 1987 commission of inquiry on health and social services in Quebec, Thomas Dupéré wrote that establishing federal programs merely shifted to the federal level a debate that had already started at the provincial level and would have led to the same results over the same period of time, give or take a few months or a few years.

It is therefore pretentious to claim that, through its involvement, Ottawa has been an instigator in the social and health area. It would be more accurate to say that Ottawa's action was made much easier by the concentration of resources that took place at the federal level during the second world war. Ottawa took over the provinces' idea of developing a health care system. After the federal government made an about-face in 1945, refusing to give back the taxation it was supposed to have taken away from the provinces

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only on a temporary basis, Ottawa had the means to act, to carry out its plans to encroach on exclusive provincial powers.

Today, in spite of the fact that health is clearly an area of provincial jurisdiction, Health Canada looms large. Its operating budget for 1995-96 is \$1.5 billion, \$347 million of which just goes to pay federal employees, from Newfoundland to British Columbia, to administer something that essentially comes under provincial jurisdiction and \$703 million to procure goods and services for the department, while transfer payments to the provinces are \$7 billion for the same year.

Altogether more than \$8 billion is being spent in an area that comes under provincial jurisdiction. That is one quarter of the past year's deficit. When we look at all the departments where there is duplication, it is easy to imagine what how much money this government is wasting and to see how the current situation came about.

However, the federal government never indicated that it intended to loosen its grip on the Canadian health system. Also, during the election campaign, the Liberal Party of Canada wrote in the red book, and I quote: "The role of the federal government should include the mobilization of effort to bring together Canada's wealth of talent and knowledge in the health care field. This is a societal issue in which every Canadian has an interest. The federal government must provide the means to ensure that Canadians are involved and informed, and can understand the issues and the options".

For once, the Liberal Party kept its word. Last June 29, even though all the provinces were opposed, the then Minister of Health announced the creation of the national forum on health. The forum was to define a vision of the Canadian health system in the 21st century, to promote dialogue between Canadians concerning their health system, and to set priorities for the future.

On October 14, 1994, Quebec's minister of health and social services, Jean Rochon, wrote to the federal Minister of Health to tell her, and I quote: "The mandate of this forum is an encroachment by the federal government in a field which essentially falls under provincial jurisdiction, and that is unacceptable. The clearly stated objective of your government, which is to give the forum a mandate to define future priorities, in the context of health care reform, and to define the means to that end, is a direct intrusion in provincial governments' affairs. This is something that cannot be hidden behind the consultative nature you ascribe to the recommendations that would come out of this forum".

Incidentally, Mr. Rochon, the Quebec Minister of Health, was recently congratulated for the courage he displayed in implementing the health reform in Quebec by one of his predecessors,

Marc-Yvan Côté, who is well known to the Liberal Party of Canada, since it recruited him to be its chief organizer in Quebec, in anticipation of the next federal election.

• (1715)

In his letter to the federal health minister, Mr. Rochon added that Quebec had not waited for the federal government to adjust its health care system according to current needs, and that extensive public consultations had already taken place.

Moreover, he reminded his federal counterpart that cuts in health related transfers to the provinces were not the best way for a government to protect and to promote health care in Canada.

Indeed, it is precisely these cuts that undermine the very principles stated in the Canada Health Act.

While the federal government was pursuing its efforts to take control over a field of provincial jurisdiction, it unilaterally and drastically reduced its contributions to provincial health programs. In that regard, in the spring of 1995, the National Council of Welfare, whose role it is to give advice to the Minister of Health, warned the government against such a situation, saying that it would be very hypocritical to reduce contributions to provinces while increasing the requirements they have to meet.

Yet, this is precisely what is happening. I should point out that, when the finance department created the program called established programs financing, through which transfers to provinces are made regarding social services, health and education, it was understood that such transfer payments would be indexed according to the growth in the Canadian economy.

Since 1986, the federal government has been using money from these transfers to contain its deficit. It made a unilateral decision, without any regard for the provinces' ability to cope. Between 1982 and 1995, it saved, at the expense of Quebecers, \$8 billion in the health sector alone. This shortfall forced Quebec to increase taxes to make up for the federal withdrawal.

According to a study carried out by the C.D. Howe Institute between 1988 and 1992, while established programs financing expenditures remained stagnant, other federal program expenditures increased by 25.5 per cent. In other words, while the federal government was telling the provinces to tighten their belts, it continued to spend right and left and to add to the deficit and the debt.

This lack of stability in federal health expenditures is a serious problem. Expenditures are in turn frozen, reduced or de-indexed according to the mood of the finance minister and the cash requirements of his department. We no longer have a fixed funding formula approved by all the governments. Funding is unilaterally

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and arbitrarily determined by the federal government, without any consideration for the real costs of the provincial programs.

This constant change in the funding level, which is always dropping, has become a real nightmare for those involved in the health industry. What is worse is that the finance minister does not seem to realize that he is no longer juggling only with figures now, but that he is playing with the health of the Canadian population.

Last February, in his latest budget, the finance minister decided to reduce once again health transfers to the provinces. In this area, Quebec stands to lose \$650 million in 1996-97 and \$1.9 billion in 1997-98. That must be part of the benefits of federalism. It is important to note that when a federal government member says that federalism is profitable, he means it is profitable for the federal government, but costly for the provinces which do not have as much leeway as they used to.

In the spring of 1995, the National Council of Welfare made these comments about the planned cuts to health care funding, and I quote: "The measures announced in this budget would likely destroy a national social services system that took a whole generation to build".

Here is what the British Columbia health minister said about these cuts, and I quote:

[*English*]

"Last February's budget which cut transfers to provinces for health has forced provinces to look at unpalatable cuts that threaten medicare".

• (1720)

[*Translation*]

If Canada's health minister was so concerned about the health care system in our country, he would have done what his colleague from Notre-Dame-de-Grâce did and would have opposed his government's last budget attacking social programs. He would have stood up in cabinet where these decisions are made and would have set the people's pressing needs for quality health care in Canada against the finance minister's figures. The health minister could have suggested to the government to get the money from those who benefit from many tax shelters, starting with the Liberal Party's generous financial backers, and not forgetting of course the finance minister's own companies.

But this is not what he did. Today, he is proposing to us an old bill that was severely criticized by all stakeholders at second reading, during the first session of this 35th Parliament. A bill that is nothing but rehash, a bill that perpetuates the federal government's interference in health care, an area—we will never say it enough—under provincial jurisdiction.

Subclause 4(1) of the bill describes the powers, duties and functions of the minister while subclause 4(2) spells out what these functions encompass and deals with the protection of the people of Canada against risks to health and the spreading of diseases. Having seen where that got us with raw milk cheeses, we can easily imagine that on the strength of these provisions the federal government would not hesitate to meddle further in the administration of health care in Canada.

The bill before us is hypocritical enough to state, in clause 12, and I quote:

Nothing in this Act or the regulations authorizes the Minister or any officer or employee of the Department to exercise any jurisdiction or control over any health authority operating under the laws of any province.

When provincial health funding is cut this drastically, there is direct interference in the operation of agencies operating under provincial authority, by reducing their ability to continue to offer a satisfactory level of services to the public.

The Bloc Québécois condemns this bill, because it sanctions the interference of the federal government in areas of provincial jurisdiction. In the health field, Quebec has its priorities and must have the right to manage them independently, in accordance with the current Constitution. This bill does not talk about ensuring satisfactory and stable funding for health care. The minister has abdicated his responsibilities in this field and is taking his orders from the Minister of Finance.

This bill attacks the provinces to such an extent, without helping them to solve the pressing problems they face, that even the most ardent federalists have decided to fight the initiatives of the health minister. Ontario's Conservative health minister said on September 19 of this year that there should be opposition to the federal government's desire to dictate to the provinces its interpretation of the principles that should govern the health care system. That same day, Ralph Klein, the Conservative premier of Alberta, also condemn the federal government's inflexibility, with reference to the then minister.

In a joint communiqué, on the occasion of a meeting of health ministers, the provinces declared that the federal government's desire to take unilateral decisions with respect to health funding, the interpretation of standards, and the setting of arbitrary deadlines for the termination of consultations was certainly not helping to resolve the problem.

Because the federal government is not able to protect the public adequately against risks to health, and because its continual cuts constitute the main threat to the health of the people of Quebec and of Canada, the federal government should withdraw from the health field and transfer the corresponding fiscal resources to the provinces, allowing them to take over responsibility for this area with, at the very least, the same level of effectiveness as the federal government.

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The Acting Speaker (Mrs. Ringuette-Maltais): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Ringuette-Maltais): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Ringuette-Maltais): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Ringuette-Maltais): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Ringuette-Maltais): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Ringuette-Maltais): Call in the members.

• (1725)

And the bells having rung:

The Acting Speaker (Mrs. Ringuette-Maltais): Division on the motion is deferred until Tuesday, at 5.30 p.m.

* * *

[English]

AGREEMENT ON INTERNAL TRADE IMPLEMENTATION ACT

Hon. Ron Irwin (for Minister of Industry, Lib.) moved that Bill C-19, an act to implement the Agreement on Internal Trade, be read the third time and passed.

Mr. Morris Bodnar (Parliamentary Secretary to Minister of Industry, Minister for the Atlantic Canada Opportunities Agency and Minister of Western Economic Diversification, Lib.): Madam Speaker, I am pleased to speak in favour of Bill C-19. This is an important piece of legislation and marks a major advancement in the quest to reduce barriers to trade within Canada and to open up the domestic market to the freer flow of goods and services.

Bill C-19 is the result of a long process of consultation which has included many Canadians: people who are concerned about the economic future of Canada; people who want to expand

the scope for employment and wealth creation for the benefit of all Canadians.

In the years since 1867 the Canadian economy has grown and evolved in ways never imagined by the original Fathers of Confederation. The federal government still has constitutional responsibility for trade and commerce but over time individual provinces have assumed prominent roles which have influenced economic growth and have set regulations for the conduct of trade and commerce at their levels. As a result of this, a variety of ad hoc measures have been introduced over the years.

We now have a system of federal, provincial and territorial trading arrangements and regulations which often conflict, which sometimes discriminate, and which can put Canadian businesses at a competitive disadvantage. Such barriers can cause the inefficient use of our economic resources and can limit the ability of our industries to take advantage of economies of scale and to maintain competitive market positions.

There are many examples of such impediments to trade in Canada. There are different professional and occupational standards in different jurisdictions which can work to limit the mobility of labour between provinces. Some provincial liquor boards have followed selective listing policies which have the effect of discriminating against products from outside their jurisdictions. There are different transportation regulations covering safety codes, inspection arrangements and vehicle standards which make it difficult for truckers to operate in different provincial markets.

Many local governments and other entities that have spent taxpayers' dollars practise procurement policies which give preference to local companies so that the ability to offer competitive sources of supply can be determined by geography and not by traditional marketplace measures such as price and quality.

Some jurisdictions seek to attract new investment by offering special incentive programs for industry development which can distort normal risk-reward equations in the investment marketplace. Regulations governing construction procedures and building standards can differ from one jurisdiction to the next and cause difficulties for construction companies and labour alike.

These are just some examples of barriers and impediments that can impact negatively on our ability to do business openly and freely in Canada. There are many many more. Thus we have in Canada a patchwork of regulations, standards and other barriers to interprovincial trade which have grown around us and which have become an unacceptable feature of the domestic marketplace.

The business community has been aware of the negative impact of this situation for some time. Our government as well as other governments have heard from many representatives of the private sector who have assessed the problems in the domestic trading environment and who have been pressuring us to make necessary changes to open up the system.

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• (1730)

These people and many others, including colleagues at the provincial and territorial levels, have recognized that a new trading regime has to be established, one based on more open interprovincial trade, one that will not impede the movement of people and investment within the country and one that will give us a mechanism to allow for co-operative approaches to the resolution of domestic trade disputes.

The agreement on internal trade, which was negotiated by the committee of ministers responsible for internal trade and signed in July 1994 by the Prime Minister and all the other first ministers of this country, gives us the framework to create such a new regime. Bill C-19 puts in place the legislative changes that need to be made at the federal level in order that the agreement can be implemented and the process of change can continue.

With these changes, we will ensure that the framework for a new regime will be in place and that we can continue the work to remove barriers to interprovincial trade in goods and services as well as to reduce impediments to the movement of workers and capital between provinces. We will establish the forum for the resolution of individual trade disputes without resorting to the courts.

By passing this bill, the House will show leadership to other Canadians and will confirm the intent of the federal government to make the changes necessary to create a new trading regime within Canada, one that reflects the political and economic realities of the day.

As I mentioned earlier, the process leading up to this bill has been a long one. It has involved many people and it has considered many issues and perspectives, both national and regional.

Federal, provincial and territorial governments at both the ministerial and official levels have been extensively involved. It is important to note that political parties of all stripes and regional perspectives have been involved in the process. So have many sectors of the private sector, including business, labour and consumer organizations.

A notable aspect of the process has been the spirit of co-operation which has consistently characterized the negotiations. There has been a high degree of goodwill from all parties. There is a shared recognition that the domestic trading environment must be improved and that it is up to governments to meet this need head on.

The agreement represents a major step toward the shared objective of improving the domestic trading environment and eliminating the barriers to trade, investment and labour mobility. It gives us general rules that prevent governments from erecting new trade barriers and which require the reduction of existing ones in

areas covered under the agreement. As well, it gives specific obligations in 10 economic sectors, streamlining of regulations and standards, a formal dispute resolution mechanism and a commitment to liberalize trade further through continuing negotiations.

This last point is important because the bill before the House does not signal the end of the process. It signals our support for a continuation of the process of domestic trade policy renewal and our commitment to make it work for all Canadians.

The committee of ministers of internal trade, which achieved the current agreement, is now constituted as a permanent body to carry on the work of domestic trade policy renewal. A secretariat has been set up to provide administrative and technical support to ministers and negotiators in this work.

A key aspect of the agreement, indeed, a key aspect of any trading agreement, is the method by which disputes that may arise under the agreement are to be resolved. While international trading agreements have useful lessons for us in Canada, none of their precedents was directly suitable. To meet the special needs of the Canadian situation, an approach was needed that would accommodate the federal-provincial system of power sharing. A dispute settling mechanism was needed that would deal with both general level compliance complaints, those based on the principles of free trade, as well as specific complaints from consumers and private business interests, those complaints that cannot be resolved by governments themselves.

• (1735)

The challenge was to find solutions that would accommodate the desires of the provincial governments to retain the flexibility necessary to pursue their legitimate political and economic objectives under existing constitutional power sharing arrangements while at the same time providing a dispute settlement mechanism that would offer open access and cost efficient resolution without resorting to court action and enforceable implementation. This was the challenge and the agreement has given us a new model for handling trade disputes, a made in Canada model.

The agreement on internal trade sets out the framework for the new dispute resolution mechanism that is unique to the Canadian situation of federal and provincial power sharing and that provides for open access to the settlement process. The approach being followed commits all parties to the use of conciliation to address problems that may arise from the provisions of the agreement, including issues arising from the application of its principles, its rules and its individual sectoral agreements.

Issues are to be resolved in the first instance on a government to government basis. In the case of an issue or problem of concern to a private individual or business that governments cannot or will not deal with and where the private interest is not satisfied, the complaint can be raised directly with a dispute resolution panel.

This is an important feature. It means that individuals as well as governments can bring forward issues for consideration.

In other words, a private party that feels harmed by an alleged unfair trade practice or policy can bring his concerns forward whether or not the government under whose jurisdiction a question has arisen agrees that there is a reviewable question.

A defining principle of the internal trade agreement and of the dispute settlement process is an emphasis on open co-operation to solve problems. Disputing parties will be encouraged to make every attempt to arrive at a solution through consultation and conciliation.

If consultation fails, governments or governments on behalf of individuals or individuals directly can ask to have a matter raised before a panel. The panel will consider the facts and, if appropriate, make recommendations for changed policies or behaviour.

The underlying objective of the process is to promote changes in inconsistent behaviour and policies through recommendations and not by applying penalties or awarding damages. Concerns have been raised in some quarters that the federal government will be set up as the policeman of interprovincial trade under the provisions of Bill C-19. During committee hearings a few points of concern were raised on the language of the act with respect to the powers of the federal government under the act. These sections have been clarified and the bill that we now have for third reading reflects these changes.

It is simply not true that the federal government is seeking to act as a policeman nor will the federal government have the power to act unilaterally on matters concerning internal trade because of Bill C-19. The ministerial level committee on internal trade is the main body responsible for the implementation and operation of the agreement, including the resolution of disputes.

All governments which are party to the agreement, that is the federal, provincial and territorial governments, are members of that committee. At this time the committee is co-chaired by the Hon. James Downey, Minister of Industry for the Government of Manitoba and the federal Minister of Industry. They are co-chairs. They share the job. The office of the secretariat has been set up in Winnipeg and Mr. André Dimitrijevic, a former associate deputy minister of federal-provincial relations in Saskatchewan has been appointed as the head of the secretariat. His office will be responsible for administering the dispute resolution mechanism.

● (1740)

A number of working groups have been or will be formed to assess and report annually on the effects of the agreement on each province and territory. These working groups will continue to monitor the domestic trading environment and will make recommendations as appropriate.

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This is a broad based agreement. It includes a broad based dispute settlement process. It includes the federal, provincial and territorial governments and it responds to the very real concerns which have been brought forward by representatives of all parts of Canadian society.

The agreement represents a significant milestone in the evolution of Canadian economic development. It represents an important step in the process of creating a more open and competitive market. It is a flexible agreement and it provides the framework to deal with special situations or changing priorities.

At their annual meeting last year, the provincial premiers reaffirmed their commitment to the objective of reducing and eliminating barriers to the free movement of persons, goods, services and investment among the provinces and territories. The premiers want to continue the process of trade renewal and so does this government. Internal trade remains an important priority, as was most recently reaffirmed in the speech from the throne.

The passage of Bill C-19 will provide the foundation for a more competitive domestic marketplace. It will complement the work of the Prime Minister and other first ministers who have been actively involved with the highly successful Team Canada approach, seeking to broaden the market for Canadian goods and services in export markets. We are part of a global economy and we have to compete in the competitive international environment.

Internal barriers to trade inhibit our ability to compete internationally. We may not be able to control every factor in the international marketplace, but we can act on the problems that arise within our borders.

Bill C-19 does that. In the spirit of co-operation which has brought us this far in dealing with the matter of improving the environment for doing business within Canada, I am pleased to have the opportunity to express my support for this legislation. I urge other members of the House to support it as well.

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Madam Speaker, I am pleased to rise today to speak to Bill C-19, an act to implement the Agreement on Internal Trade.

To those of us in Quebec, this bill is both very significant and very encouraging. For a number of years, I would say more than ten even, we have been discussing the possibility of freeing trade among Canada's provinces. Today, we are proud to see that the government has acted on it.

It is vital to harmonizing trade relations, and I will explain in detail a little later on why we agree with harmonizing trade relations among the provinces. We freed trade with the United States first, before we freed trade among the provinces. You can imagine how important it was to do so.

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It is also important to have a dispute resolution mechanism. We find this mechanism quite acceptable, except as we mentioned at the bill's earlier stages, and as we discussed with Quebec officials, it is a bit odd in our free trade agreement with the United States that the parties—Canada and the U.S.—have to decide as the very last thing how a dispute between firms or sectors of the economy is to be resolved.

• (1745)

In the end, the federal government will decide by order in council where disputes will be settled. In other words, it will unilaterally decide what is right and what is not.

This is why we, together with my colleague who was then the industry critic, had suggested a two day debate in the House of Commons on the importance of dispute settlement. We believe, as I said earlier, that some sectors might be more affected in some provinces than in others and that if a dispute was settled by order in council, it could be unfair at times to economic sectors which might be in a more favourable position in one province than in others.

This is why we believe that settling a dispute by order in council might be harmful to certain economic sectors and to certain provinces, especially the small ones.

Interprovincial free trade is of the utmost importance. Already, trade in goods and services in Canada and in Quebec represents 16 per cent of the gross domestic product of Quebec, for instance. It is quite important for Quebec to have free competition with the rest of Canada.

For instance, we can say products that Quebec sells in the rest of Canada represent \$23.3 billion. The goods we purchase from other provinces represent \$19 billion. That means we sell a little more in the other provinces than we buy from them.

However, we sell \$11 billion in services to the other provinces, and we buy \$14 billion from them. We buy about \$3 billion more in services than we sell. So, if we look at the total average, what we sell and what we buy is about equal.

If the government had not acted by liberalizing trade between the provinces, we could see that Quebec would have further developed its trade with the United States. We will continue to do so with the United States because, particularly in Quebec, we have an extraordinary market with the cities of New York, Boston and Buffalo, in the United States, and with Toronto, in Canada. We have a tremendous market. In a radius of about 1,000 kilometres, there are almost 100 million consumers.

For Quebec, it is very beneficial to work at the shortest distance possible. We have an extraordinary market. New York and Boston, the northeastern United States, is the richest region in the world; it is where consumers buy the most. That is also where the business

culture is the most like ours, so that it is much easier for us to do business in this radius. It requires much less effort, much less research on the human behaviour level, on the cultural level, etc. It is much simpler. Quebec will pursue its efforts to develop these markets, which have become much easier to break into. The figures I just gave you are based on the year 1994.

For all these reasons, our ultimate goal is to achieve Quebec sovereignty and negotiate an economic partnership with the rest of Canada. The government is to be thanked for this initiative. It is a step in the right direction. As we proposed during the referendum, we want to negotiate an economic partnership with the rest of Canada. What we have done, what we are doing today is a step forward that will help us achieve our goals when Quebec becomes sovereign. In this regard, I think we have just taken an extraordinary step.

There are other reasons, for example the advantage of liberalizing trade with the other provinces and the U.S. The economy is changing and will change even more dramatically in the future. We face an extraordinary, an exciting challenge in the coming years. The new ways of communicating, high technology, robotics, computers, the electronic highway are all transforming the dynamics of the economy.

• (1750)

That is why borders should disappear, so that everyone can benefit from their own intellectual and technical resources. I would like to say a few words on this, if I have the time.

I will deal mainly with our economy of the past 50 years—there is no need to go back to ancient history—for those sceptics who think that free competition and free trade at the international level are bad for us.

For those sceptics, I would like to go over the economy of the past and that of the future. In my days as a Conservative member, I took a strong stand for free trade with the United States. I worked very hard to make it happen. That is why, thinking back on all the speeches we made, the studies we commissioned and the evidence we heard, I am convinced that free trade is a good thing.

For the benefit of those who remain sceptical, I will raise the issue of competition. Let us not forget that, in the old days, our main markets were wood, fur and iron. We also had a very domestic farm industry. We raised our livestock to meet our immediate needs. We also had coal, petroleum, in very limited supplies, and all naturally renewable commodities, which ensured our survival locally.

When we had plentiful supplies of natural products such as coal, iron, wood and so on, we sold some and used some. Revenues were relatively stable. In the old days, the economy was relatively stable because it was driven for the most part by natural resources.

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Wood was used to build houses and to heat them, livestock was killed for its meat and cows gave milk. All this makes for a very local economy. To keep warm, people burned wood; that is quite simple. They did not have much need for trading with Ontario or the U.S. to feed themselves, heat their homes and what not. Theirs was a strictly local economy. We had an enormous wealth, particularly in Quebec, but also in the other provinces, of materials of all sorts.

In a way, it was quite important to take protective measures. In those days, Canadians were very afraid of having their market invaded by the Americans or the Europeans, of anything that might destabilize their economy. It was therefore important that barriers be erected to protect our small local economy.

We tended to be protectionists. Barriers were erected. Customs tariffs and tariffs of all sorts were imposed to prevent our economy from being disturbed in any way. For decades, I would even go as far as to say centuries, our economy remained virtually unchanged. We were undoubtedly protectionists, and probably rightly so.

As far as national and international markets is concerned, as I said earlier, we did not really need to rely on other countries to provide for our needs.

● (1755)

Our multinationals set up mainly in countries where natural resources were vast and where labour was cheap. Products were made, finished and then sold. This is how the economy and the multinationals used to work. These businesses would go in countries where they could produce at a low cost, thanks to the natural resources and cheap labour available.

In the sixties, seventies and eighties, governments would get involved when they realized that a business was experiencing financial troubles or productivity problems, among others, and they would subsidize these companies. It was easy for companies to get subsidies. A lot of money was spent to subsidize businesses. I clearly remember, and so do other members who take an interest in the economy, that enormous amounts of money were used to subsidize companies, until governments realized that they were just wasting our money.

Generally speaking, when companies were in financial difficulty, it was because they had not properly analyzed future markets, changes affecting labour and technology, automation, and all sorts of new ways of doing things. This was the main reason these companies had problems and were helped out by governments, which were essentially wasting money. Indeed, even though they were subsidized, these companies still ended up shutting down.

They were subsidized because they were located in remote areas. However, they were not suitable for the region, sometimes because

the natural resources were no longer as abundant as when they had first settled there. In any case, this resulted in a lot of money being wasted.

Let us now look at the current economy. To those who are sceptical and who believe that free trade is something bad which will hurt us, let me say that I think just the opposite, and I have for several years now. The economy in which we live, and in which we will live in the years to come, is based on ideas rather than on natural resources.

Mental competence will be very important. In Quebec in particular, we have tremendous intellectual competence, and young people graduating from our schools, colleges and universities are outstanding. With regard to software development, in particular, we see that we are among the best in the world. The economy of the future will be based a lot more on mental competence than on natural resources, as used to be the case. The information highway is a case in point. There is much talk about it now.

People with the capacity to develop software and to use it for promotion, sale or information, whether through the Internet or other means of communications, will be in the forefront and will do well. This economy will be based on ideas, on mental competence.

● (1800)

Thanks to this new way of doing business with ideas and mental competence, the economy will change a lot more rapidly. We will witness an economic revolution that could be considered astounding by some, but which I would see instead as a particularly exciting new development. As you know, ideas evolve a lot faster than coal or iron plants. Ideas change, evolve at a rapid pace.

Previously, the economy was based on natural resources like coal and iron. We could rely on our resources, we had plenty of them for 50 or 100 years. We lived off them, we had only to extract and sell them, it was not complicated.

Tomorrow's economy will be much more flexible and will move much faster. It will change more rapidly, and I think it will be very exciting for young people.

Help from governments will be different too. Governments will help companies to better communicate and sell their products, get international information and international market intelligence, and assess world markets. Government help will also target certain sectors of the economy.

Small businesses may need information, for example. It will be important for the government to have experts throughout the world that can use Internet to let that small business acquire some knowledge of what the culture is like in India, of what the lifestyle of the Indians, the Japanese or the Chinese is like, and on how they go about purchasing goods or services. So the government will

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have an important role to play in conveying to small businesses the information they require in order to develop.

This is the economy of the future, and it is important to realize it. I think we do, but governments will have to be flexible. That is why Quebec is looking for more autonomy. We want to be flexible in order to move quickly. We think that federalism, with its eleven governments, is doomed to stagnation. It stifles development. The government is always slow to move and takes a lot of time to react. That is why we advocate sovereignty with an economic and political partnership with the rest of Canada. In order to expand, we need to be able to react more quickly and to be more efficient as a government in our support for this new approach.

I mentioned earlier that more accessible markets will mean a lot more transfers, not only of products but also of skills. Transfers of skills do not cost much in transportation fees. It can be done through computers. It will be done in the future through the Internet and more user friendly communication services.

We are told that we will soon be able to contact anyone in the world without having to make long distance calls. We will not have to call long distance to talk to someone in Japan or in China in the near future, in just a few years from now. It means we will be able to exchange ideas and work on research or other projects with experts from anywhere in the world.

This is why free trade with the United States, with the provinces and with other large markets is so interesting. It will allow us to be more efficient. Our productivity will increase and who will benefit in the end? The consumer.

We will have good high-quality products. We will definitely be able to increase the standard of living of our citizens. It can take us far, but I just wanted to show that an opening onto the world, with freer trade and increased competitiveness, should help to improve our productivity. In turn, it should improve our products and result in a higher standard of living for consumers and the general public.

• (1805)

We will have better and nicer clothes. We will have nicer automobiles and television sets with interactive programming. We will be able to afford a lot of things. We need high technology, but, in some cases, it can cost a lot of money.

When we were negotiating free trade with the United States, some major international investors told us: "We need large markets to justify our investments". People stopped investing in Canada for two main reasons. First, they told us: "The market is not big enough to justify our investments. Besides, Canada's debt is too high and we will have to pay for it. It will be too expensive and, in the end, it will not be profitable to invest in Canada".

High technology has its advantages, but it can sometimes be expensive. It costs a lot of money to invent a high technology product, which means that large investments are required, and you need markets to make these investments profitable. Not only did Canada have a very small market of about 25 million people, but companies were not sure they would be able to sell their products in other provinces. So you can imagine how restricted our market was. Very few people were interested in investing in Canada because the market was too small to justify the investment. Consequently, international investors in high technology went to Europe, to the United States, to Japan and other countries.

For these reasons, it was really necessary to secure free trade with the United States. It was hard because Quebec was almost the only province in favour of free trade with the United States. We, Quebecers, worked very hard because we believed in free trade with the United States. There was unanimity in Quebec between the Liberal Party, the Parti Québécois and a majority of Conservative members at the time. We worked real hard, and it is with the help of Quebecers that we succeeded in signing a free-trade agreement with the United States.

Except for Mr. Turner, the Liberal Party at the time was against free trade with the United States. Only Mr. Turner, the former Prime Minister, was in favour of free trade. He came to the House to make a speech in support of free trade. He contradicted the present Prime Minister, who was against it.

Mrs. Brushett: You are a wise man.

Mr. Nic Leblanc (Longueuil, BQ): Yes, absolutely.

So, Mr. Turner was surely a very intelligent man. He had understood. He had insight. Unfortunately, his party was against it and decided to wage a war to the finish. We had to work for hours.

I remember making a speech at about 11.40 p.m. in December, just before Christmas, because we had to adopt the free trade agreement before the end of the year, so that both countries could ratify it. So, we made long speeches until the very end because the Liberals, if they did not hinder us, tried to gain time. They used every trick of parliamentary procedure to try to gain time until the very end, until we succeeded in having the agreement adopted.

So it all happened thanks to Quebecers, to the Government of Quebec, to its members and to the members of the Quebec wing of the Conservative Party. There was about sixty of us at that time, and we managed to convince the rest of Canada that free trade was a good thing.

Today the Liberals are in favour of free trade. They won the election, so they do not need to oppose free trade any more. They used the free trade issue to win the election. Now they support free trade.

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I am also pleased to see today that the Liberals have decided to encourage free trade between the provinces. I totally agree with that, and this is why I support this bill.

As I said earlier, this bill will simplify internal trade. I also mentioned earlier that this is in line with the sovereignist project that we still have and that we will not forget about because we still believe in it, unless the Canadian government decides to make changes to the Constitution.

● (1810)

What we are proposing is a close, controlled economic partnership. As I mentioned earlier, this is a good start. It will allow us to have free trade, which is necessary.

Now that we will have free trade with the provinces, we, in Quebec, are very aware that we will have to train our workers better. Therefore, I urge the federal government again to accept to transfer to Quebec the responsibility for manpower training. This is very important for us. It is not up to the federal government to make decisions about manpower training; it is a provincial responsibility. This is my twelfth year as a member of Parliament, and for twelve years we have been begging the federal government to give manpower training back to the provinces. This is a very important issue for us.

We can see that there is a lot of waste. There is a waste of time and energy, and still people are not being properly trained. The effectiveness of the federal government's manpower training is rated at about 25 per cent. Imagine, billions of dollars spent and it is only 25 per cent effective.

This is also true for Ontario and for British Columbia. Manpower training should be given by provincial institutions. It is the provinces who run educational institutions. Why does the federal government have to buy courses from Quebec institutions? Often, they have rules that do not correspond to those of our school boards or of the provinces' educational institutions.

It would be much easier to co-ordinate manpower training if it were controlled by the provinces, if the money went directly to the provinces so that they could provide satisfactory training. We have colleges that adapt to the needs of businesses and that design very specialized programs corresponding to sectors of economic activity. They take the businesses in a particular sector and create specialized classes in order to provide people with very specific training to meet very specific needs.

Courses are given specifically to meet the needs of these businesses, but in many cases the federal government horns in. I will give the House an example: someone who is unemployed wants to take a 10 month course, starting in May and ending 10 months later. Since he is unemployed, he is not entitled to any

holiday time during his unemployment, so he cannot take the course, because the school boards close down for two months in Quebec. This is crazy, as well as unacceptable. I find such things both scandalous and disgusting.

A lot of people come to see us in our offices to tell us things like this: "It makes no sense, I am eligible to take a course but I cannot because it starts in the spring and ends in late fall". Since the teaching criteria are not the same for the school boards and for unemployment insurance, people end up unable to take a course. That is why I find it scandalous that money is wasted and people with ability are also wasted. They often give up and go back home and on to welfare, living off the government.

● (1815)

I am begging the government to act promptly. In looking at my government colleagues close to me, I am convinced that they understand my message very well. I am not being aggressive, merely pointing out what is nothing more than common sense.

I trust that the Liberal members making up the present government will heed this message and make it possible for there to be greater efficiency and for the people working in our businesses to be better trained and therefore more productive, turning out better products. With better products, we will be able to compete internationally. Such is the purpose of manpower training.

That is why we are working very hard in Quebec, to have more efficient businesses. It would be a serious mistake not to do so. There will be no point in moaning about it when we are flooded with products from other countries, creating unemployment and welfare dependency. Do we want to become a banana republic, an impoverished state, or do we want to move on into this new economic era? In this new economic era, high technology will take the place of natural resources.

This is why training and intellectual skills are essential for this new economy we will be experiencing in the years to come.

Once again, I am begging the government, and the government members in particular, since they form that government. Often MPs do not dare speak out, but it is not always necessary to vote against one's government in order to have one's ideas noticed. I believe we should work very hard inside our respective caucuses. I know there are excellent Liberal members who understand what I have just said, and I am convinced that with time they will come to understand, as they finally did and accepted the free trade agreement with the United States. It is normal. People evolve slowly.

There are still people in Quebec who are not sovereignists. I say to them that some people take more time than others to understand. It is the same thing. There were some people who had not understood that free trade was a good thing. Today, people know

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that free trade is a good thing, at least in Quebec because we export much more to the United States than we import.

We realize that free trade is a good thing. Yet, at first, some Liberals believed that it was not. You cannot blame people. They take time to change. As I have just said, some take longer than others to understand. It depends where you come from, on your education and on where you live. This is all perfectly acceptable, and I do not want to point the finger at anyone.

There is one thing, however. We live in an age of high technology and major communications, and we are going to have to meet international competition. It is an extraordinary challenge. One that will be very exciting. I am sure the years to come will be exciting, but we must make sure that our people receive the intellectual training to meet the challenge.

I and the other members of the Bloc support this bill, except, and I repeat, the part on the resolution of disputes. On the whole, we agree with the formula, except at the end, where it provides that the federal government may unilaterally decide who is right and who is wrong by order.

Once again, this could harm certain provinces with very pronounced sectors of economic activity. I will give Alberta as an example.

• (1820)

Alberta has a number of fairly major economic sectors, including oil, beef and wheat. These are the major ones; I might even say the only ones. If a dispute were to arise with Quebec or Ontario in one of these areas, and the federal government unilaterally resolved the dispute by order, Alberta's economy could suffer significantly. It is a possibility.

Quebec has one really major sector: hydroelectric power. Should there be a dispute over power with no solution found and should the government unilaterally decide by order in the end to promote uranium or atomic energy over Quebec's energy, Quebec could suffer hugely. It is for these reasons that to give sole power to the federal government to resolve a dispute by order-in-council could adversely affect an important economic sector in Quebec as it could adversely affect an important economic sector in Alberta, in New Brunswick or elsewhere. In this sense, we think it is dangerous and we are opposed to it.

We would have preferred a two-day debate, a public debate in the House of Commons, so that members concerned, who feel their rights or those of their province, their region or a sector of their province are being abused, can publicly inform the people of these risks by their comments.

We all know that the ability to speak out publicly often confers an extraordinary power. Otherwise, things are done on the sly, often

in secret. That is why we live in a democratic system, to be able to speak out publicly. It is a shame we cannot speak out freely and publicly instead of ruling by order-in-council. It should be possible to debate the matter, people should be able to express their views. Maybe then, the way we see things could change radically.

[English]

Mr. Chuck Strahl (Fraser Valley East, Ref.): Madam Speaker, I am grateful for the opportunity to speak about the internal trade agreement. I will talk about why I believe free trade agreements are good both internationally and internally within Canada. I will follow that with a brief analysis of what the bill does and does not do as it reflects on internal trade in Canada. I will detail some specifics about why the Reform Party has difficulty supporting the bill. I will wrap up my speech by specifically talking about the energy chapter, or the missing energy chapter, the one we have been promised repeatedly over the last couple of years which we are still waiting to see come to fruition.

I would like to detail why the internal trade agreement is so valuable to the people of Quebec as well as to all Canadians. I would like the separatists in Quebec to consider the idea that the bringing down of interprovincial trade barriers presupposes that we have provinces around which there are barriers. There is no guarantee that if a province separates from Canada the move for free trade within our borders will continue.

Some of the benefits which Quebec now receives within the Canadian Confederation are not a sure thing if it goes its way. NAFTA, GATT and the internal trade agreements all suddenly become up in the air for the province, then the country of the Quebec. I urge them as they consider their options in the years to come that they keep that in mind.

• (1825)

For instance, Quebec exported more to Nova Scotia and New Brunswick in 1989 than to any country in Europe, including France. Quebec sold as much to Ontario as it did to the United States. That is important. Quebec has a huge trade within Canada and the separatists put that at risk when they start talking about separation. It is no wonder the economy of Montreal and all of Quebec is in turmoil right now as they consider their options.

The business people in Quebec know the truth. The truth is Canada is good for Quebec and they should know that. To start tossing around the idea that they could just go their own way, everything would be copacetic and not to worry about it, is not telling the truth to the people within their own borders. Quebec benefits from trade within Canada. I will read a couple of statistics about how much benefit it is for some of the provinces.

It is interesting that only 23 per cent of British Columbia's total exports go interprovincially. In B.C. 76 to 77 per cent of its exports

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go internationally. We in British Columbia are not totally dependent on the internal trade agreement and the freedom it would allow although obviously it is a good thing for all Canadians. Most of our product in B.C. is exported to other countries.

Take some of the other provinces. In Quebec 51 per cent of its total exports go to other provinces. The majority of its exports go to provinces, not to other countries, not to Europe, not to the emerging Asian markets. Most of its trade is internal trade. If those in the Bloc Quebecois put their thinking caps on, they would realize they are not doing any favours to their constituents by proposing the breakup of Canada when more than half of Quebec's trade goes to other provinces.

Alberta exports 61 per cent of its trade to other provinces. Alberta understands the importance of the internal free trade agreement and of being part of Canada.

Whether we are talking about dairy products, manufactured goods or whatever, Quebec benefits from being part of Canada. The separatists should toss out this idea of leaving Canada which is harming not only Quebec's business prospects but is also creating that political uncertainty which is hurting the rest of the country. I hope we will hear more talk that they are looking forward to acceptable change from Canada. Many of us are looking for acceptable attitudes from the Bloc Quebecois too.

We would like to see an acceptance that this is a mutually beneficial thing. Quebec and Canada together is the way we should have it. Read the statistics. We are not going to be held hostage on this. We hold some pretty good cards in this game and we are not about to hand over the whole deck to those who say they want to take their ball and go home. I urge them to reconsider their political agenda which I think is harming not only Quebec but also the rest of Canada.

While Ontario is Quebec's most important trading partner within Canada, Quebec ran a deficit in its trade with Ontario and its surplus came from trade with more distant provinces. In other words when we think of trade it is not just Ontario trade; Quebec trades with all the provinces in big numbers. If we were to add up all the numbers that all the provinces trade, in fact as much trade goes on interprovincially as goes on with the rest of the world. Interprovincial trade is key.

The Reform Party campaigned in the election in favour of the free trade agreement. We made no bones about it. We said we anticipated that the world was going to go toward a rules based free trade economy and that we had best get on the bandwagon because that bandwagon was heading out of town. The best way to ensure prosperity for Canadians was to ensure that we were on the free trade bandwagon.

• (1830)

We said free trade should move ahead. Reform Party members said we would sign the NAFTA and the GATT if it came to that. We said that if 150 countries, give or take, in the rest of the world want to sign a free trade agreement based on a rules base trade agreement, we were to be one of the 150 because trade, export-import, is the future of the country.

We also said during the campaign that one thing which could make free trade work for Canada, although it has not always worked for Canada, is to resolve the internal trade barriers first. There are \$6.5 billion of internal trade barriers within Canada. Everything from milk to beer costs Canadians more because of internal trade barriers. It is not right. If we are thinking of exporting to the world, at the very least we should be able to ensure there is also the right to export within the country.

Let me read where this agreement is taking us. What was the situation before this agreement came into force? Why was the Reform Party so adamant about one particular power which should be strengthened by the federal government? Everybody says the Reform Party wants to dismember the federal government. There are many areas where it should be out of business. One area it should strengthen is the right to strike down internal trade barriers. Section 121 of the BNA act states, and has always been the case: "All articles of growth, produce or manufacture of any one of the provinces shall be admitted free into each of the other provinces". Those are the rules around which somehow the federal government has allowed \$6.5 billion in trade barriers to be erected between all provinces.

We have gone over this already somewhat, but we find ourselves in a situation in which transportation companies say it is easier to transport goods north and south across the border than it is interprovincially. Stocking requirements for shelves state certain products can be more visible or displayed more attractively on a shelf than others. Interprovincial trade barriers have arisen to the tune of \$6.5 billion, even though the BNA states all provinces shall be permitted free access into each of the other provinces. It cannot be more clear than that.

The federal government has a responsibility and a legal right to ensure that we have free access between provinces. We do not need a better right than that. It is true free trade when there is the right for growth, produce and manufacture from any of the provinces to be admitted freely between provinces. What is needed is a federal government with the guts to do something about it.

It should not be done after the NAFTA, after the GATT. We are still trying to get this internal trade agreement right. Meanwhile the band wagon is well out of town and the free trade agreement is

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gone. It is no wonder some people say international free trade agreements have not been as good for Canada as they could have been.

I would still argue they had to go ahead. However, federal governments past and present should have moved quicker and with more vigour on the idea of striking down internal trade barriers within our own country. If free trade had begun at home, people would have accepted it, seen the benefits and been far more accepting of the NAFTA and GATT that followed.

I have to mention specifically what happened during the campaign when many dairy farmers in my riding were promised by the Liberal government that it would not sign the GATT without a strengthened and clarified article 11.2(c). I heard Liberal candidates swear they would lie down on the railroad tracks to stop the deal. They would resign from caucus, which given today's activities might have been a good first step. They said they would never sign the agreement unless article 11.2(c), dairy quotas and tariffication, were strengthened and clarified.

The government did not even have time to read that document before it signed it. It was signed knowing full well that during the campaign it would sign. It was signed with out any strengthening, without any clarification. It went immediately to tariffication.

• (1835)

It was one of those promises that caused a lot of Liberals to get red under the collar during the campaign. They did not follow through on that to the dairy farmers in my area. The truth in advertising council should look into that.

There were some wild promises, including the Deputy Prime Minister's promises on the GST, including free votes in the House of Commons, including—I do not want to pick on your position, Madam Speaker—the promise from the red book that they would have deputy speakers from the opposition parties in the Chair. What happened to all the promises?

The red book has gone from the non-fiction section of the library and is now firmly ensconced in the fiction section of the library. I saw someone walking out of here a while ago with a red book. The sucker is only half as thick as it used to be. They are tearing pages out of it as they walk, trying to make sure people do not get a good look at it. It will be interesting how the promises part of this develops.

I remind people watching, specifically those in my riding, that on that article in the GATT there was enough misleading information from the Liberals to gag a dairy cow in my riding.

What does this provincial trade agreement actually move toward? We used to have total free trade. We had free trade on

everything that was produced, grown or manufactured, which basically covers it. What does article 101 of this provincial trade agreement state? I would think the government might want a strengthened article on that. The article states the objective of the agreement is to reduce and eliminate to the extent possible barriers to the free movement of goods and services.

Notice the transition here is not a positive one. We went from free trade in anything grown, produced or manufactured to free trade wherever possible according to the government. Is this an improvement? This is not an improvement. This is not an improved internal trade agreement.

What does “to the extent possible” mean? Does it mean that when a separatist government says a barrier cannot come down it must stay up? Does it mean that if someone gets a lobby group or a special interest group that might be funded by the government to aggressively lobby the government, the barrier has to stay up? What does it mean? No one knows for sure because it is “to the extent possible” that the government will remove internal barriers. That is not good enough. It is one of the powers which the Reform Party has consistently said should be strengthened by the federal government.

We have said much can be realigned in the federal-provincial scheme. If the provinces think they can do a better job, that they can handle it better, that they have the resources and they want to look after a lot of what is currently done by the federal government, we say more power to them, have a nice day, let us do it.

However, one of the powers the federal government needs to retain if it is to have a union from coast to coast is the right to strike down internal trade barriers. It cannot hand that over to the provinces. If it strikes down the economic activity between provinces, divisions will be created which create political divisiveness, interprovincial squabbles, business fights, uncompetitiveness, cost to consumers and cost to taxpayers. It is not acceptable to allow people, businesses or provinces to erect trade barriers within our country when we are looking for trade barriers to come down around the world.

This legislation is a step in the wrong direction. A promise was made in March 1994 just after the first federal budget. The industry minister stated the federal government is committed to working toward an agreement which is clear and concise, has a set of rules that will eliminate protective measures, and includes an effective and enforceable dispute settlement mechanism.

This agreement does not do that. If it did all of that I would say let us go for it, let us give it a whirl and see if it will work. There are entire areas untouched by this agreement. There are certain agricultural products untouched. Certain government procurement and regional development tools are untouched.

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• (1840)

The energy chapter is not even there. The government is asking us to sign something that is not even there. There are about 14 chapters in this agreement. The energy chapter is a blank page. That would be bad enough except the government said the blank page would be filled in July 1995. July came and went and there was no page. It is a document that we need on the energy sector, one of the most important sectors of this agreement. September rolled around. September 1995 was when it would happen but in September 1995 the agreement was blank again.

There is no agreement on energy. We are being asked by the government to support an internal trade agreement in which at least in the area I am critiquing the chapter is non-existent. There is nothing there. It is a blank page.

We are being asked: "Trust me. I will sign it later and we will negotiate something. Just give me the power now". That is not good enough. Unfortunately, this deal of signing agreements and negotiating something later is typical of this government. It asked us to do that on the Yukon land claims settlement. It asked us to do it on the internal trade agreements. The government has asked us to entrust it to do something through order in council on many bills where it says: "We are not sure what it means. We do not know when it will come into force. We do not know how we will do it but let us pass it".

I say let us not pass it. Let us pass agreements and bills in this House which are complete. If the government needs more time to complete the bill, by all means take some time but do not ask us to approve bills in this House which are not full and complete. With this internal trade agreement that is a problem.

I will talk specifically on the energy chapter. This is the chapter which I find the fact that it is not filled out paints the picture for how effective this agreement is going to be. If we do not have a chapter on energy I would argue we do not have an internal trade agreement.

Agriculture is missing too. I guess it will be internal trade on widgets and foo-foos but that is not good enough. We need internal free trade within this country and we need it on the two most important products in the country, at least agriculture and energy. If the government cannot get an agreement on them, then it should withdraw the bill until the negotiations are complete. When negotiations are complete and the government has an agreement to present to the House of Commons, then we will vote on it. We have to vote no if there is no agreement in place because we will not give the government permission to write a blank cheque.

I mentioned that the chapter covering energy was supposed to be completed in July 1995. Then it was supposed to be completed in September 1995. That deadline also came and went. Now the officials are working on yet another draft of the energy sector chapter. The council of energy ministers promises again that August of this year is when the energy sector chapter is going to be

completed. It is going to be completed almost for sure a year or so late.

What are we led to believe about this chapter and about this agreement? History tells us that politics will get in the way of common sense again, that the energy chapter may well go unwritten again. There has already been one written that they cannot agree with but it will probably go unwritten, unendorsed one more time.

I am afraid that sums up the progress to date of the energy ministers on this important matter. The blank page is rather symbolic of the entire agreement. It just shows again that the government cannot come through with its promise on internal trade and it is asking us to trust it to come up with something in the future.

I for one am not prepared to do that and I am surprised the Liberal members are prepared to do that. I would think they would say to their minister: "Let us wait until we get the complete document". It is unbelievable. For example when buying a car suppose I say: "I will sign the contract to buy the car. I see it has no wheels on it but I will buy it. Sometime when you think you want to fill out the contract about when I get the wheels, let us talk. I will be happy to do it". Nobody signs contracts like that.

• (1845)

In essence this bill is a contract between the provinces and between the federal government and the provinces and between the Canadian people by inference and all the provinces. The deal being signed is just not there and I am not prepared to do that. The Liberal backbenchers, at the very least, should not be prepared to do it either.

I mentioned the size of interprovincial trade and how important it is. It is critically important for the country that this is done correctly. I do not want to belabour the whole thing, but I can give members a list of how many agreements we have had. Somebody mentioned being here for 12 years. We had the Macdonald commission which recommended the elimination of trade barriers in 1984. In 1987 the committee of ministers on internal trade said that we had to get rid of internal trade barriers. In 1989 a memorandum of agreement stated we had to get rid of them. The maritimes then signed a memorandum of agreement. In 1991 six governments tried to get rid of an interprovincial agreement on beer marketing practices. That is how specific we are in this country. Six governments tried to get together to try to decide how to put a beer on the shelf. They come to sort of an agreement but one still cannot sell beer interprovincially unless one has a brewery in every province.

We come to the intergovernmental agreement on government procurement but that is also a difficult one to enforce. This goes on and on. In 1992, 1993 and 1994 the ministers backed away from completely eliminating internal trade barriers. There are about 11 sectors that they cannot solve yet they are now coming to us and asking approval for it.

Government Orders

I would like to wrap this up by saying that there is a long history in this country of promising one thing on the internal trade agreements and delivering nothing on the other.

We have a case in point which we have just gone through. I hope that sometime during discussions on this bill the new member for Labrador will get to his feet and talk about the energy chapter, the missing chapter, that should go into this agreement. I would like that member to say that the people of Labrador are sick and tired of the fact there is no energy chapter in this internal trade agreement. I hope that he will stand up and say: "I am not satisfied with the way Labrador has been treated over the years on the internal trade issue. I am not satisfied with the fact that Labrador does not have access to the hydro lines in Quebec if it wants to build the lower Churchill. We are not satisfied in Labrador with the fact that they take our tax dollars and we do not even have a gravel road that we can drive on".

I hope the member stands up and says: "The money that we could have made if we had a proper internal trade agreement in place would look after the entire transfer payments to my province". If the people in Labrador had a decent internal trade agreement they would not even need transfer payments from the federal government.

I hope that member from Labrador has the guts to stand up in the House of Commons and say that he is sick and tired of the fact that Labrador has been shafted and shafted again when it comes to an agreement.

Quebec has consistently refused to allow Labrador to build lines in Quebec. Furthermore, Quebec has consistently refused to allow Labrador to wheel power through its existing power grid. Instead it is forced to sell that power to Quebec at ridiculous 1969 prices to be resold to the Americans to the tune of \$800 million to \$1 billion a year.

The people of Labrador, with some justification, are sick and tired of that. I hope the new member for Labrador has the gumption to stand up and say that the government had better get it right on

internal trade. He had better tell the minister that he is not going to be satisfied with the namby-pamby promises that some day in the future Labrador will be able to benefit from its own power sources.

I would hope that he would stand up and say: "This has gone on long enough. You have put Labrador in a catch-22 position". Labrador has to find a contract before it will be allowed to build power lines but it cannot build power lines until it gets the contract. They whipsaw Labrador back and forth.

By the way, Madam Speaker, the Reform Party went from 0 per cent to 30 per cent of the vote in the last byelection. I hope that the new member for Labrador is paying attention. There is within Labrador a separatist movement now. They have elected an independent MLA to sit in their own legislature. The reason for this is because they have been shafted. They are sick and tired of it. They do not want to leave Canada but they are tired of being fed pabulum and lies by the federal government. They are tired of being fed pabulum and lies even by their own provincial government. Both are Liberal governments by the way. They are tired of being beholden to another part of the country or to other Canadians when they should be and have the right to be independent.

I call on the government, when it writes this energy chapter, to then bring this internal trade agreement back to the House for ratification. When it writes the energy chapter it should include Labrador's concerns. You can bet your bottom dollar the reason the government cannot get an energy agreement right now is that Quebec will not sign and agree to binding arbitration because Quebec is afraid of what Labrador is going to get.

I would urge the member for Labrador to do his homework, study this and not to support this bill until that is fixed. Labrador deserves more.

[*Translation*]

The Acting Speaker (Mrs. Ringuette-Maltais): It being 6.50 p.m. the House stands adjourned until tomorrow at 10 a.m.

(The House adjourned at 6.50 p.m.)

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