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OFFICIAL REPORT (HANSARD)

Wednesday, March 10, 1999

Speaker: The Honourable Gilbert Parent

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HOUSE OF COMMONS

Wednesday, March 10, 1999

The House	met at 2	p.m.	
			Prayers

• (1400)

The Speaker: As is our practice on Wednesday we will now sing O Canada, and we will be led by the hon. member for St. John's Fast

[Editor's Note: Members sang the national anthem]

STATEMENTS BY MEMBERS

[English]

NUNAVUT

Mrs. Nancy Karetak-Lindell (Nunavut, Lib.): Mr. Speaker, I would like to congratulate the government-elect of Nunavut: Paul Okalik, the premier, and cabinet members Jack Anawak, James Arvaluk, Donald Havioyak, Peter Kilabuk, Kelvin Ng, Edward Picco, Manitok Thompson.

The eyes of the world are upon Nunavut and I know these dedicated people will serve their constituents and Canada with wisdom. I wish them every success.

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SINGLE INCOME FAMILIES

Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.): Mr. Speaker, Canadians now see this Liberal government as the enforcer of a policy that continues to discriminate against families where one parent chooses to stay at home and raise the children.

Rather than reward parents for such a noble sacrifice, the Liberals have entrenched a policy of systemic discrimination against and declared a tax war on single income families.

Adding insult to injury, Liberal MPs could have voted yesterday to do something about the problem which they and the Progressive Conservatives created. Instead of supporting Reform's motion to end this unfair discrimination, the Prime Minister waved his magic wand and the the backbench flock of mindless Liberal MPs obeyed.

So single income families will continue to be cheated. Meanwhile, Liberal MPs continue to obey their master instead of focusing on families which are under an intense tax burden and having difficulty making ends meet.

At election time, families will not forget this Liberal injustice.

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THE LET'S GROW COMMITTEE

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, I rise today to congratulate and encourage a group of dedicated people from my riding of Bruce Grey.

The Let's Grow Committee is a group made up of parents, educators, health care workers and program co-ordinators. They meet regularly to discuss better ways to support pregnant women and new families within the communities they serve.

Again this year, this group of dedicated people will form a work plan which will work toward the goals and objectives to establish better services to ensure the best outcomes for young children. They will work to find the funds to begin new programs and to continue those that have proven to be successful.

As an enthusiastic supporter of interventions to help young Canadians develop to their full potential, I support the Let's Grow organization and any organization like it across this great country.

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[Translation]

2003 WORLD FORESTRY CONGRESS

Mr. Claude Drouin (Beauce, Lib.): Mr. Speaker, on March 4 Canada submitted its bid to host the largest forestry congress in the world in Quebec City in the year 2003.

The 2003 world forestry congress will provide some 175 FAO member countries and numerous international organizations with an unequalled opportunity to exchange ideas and experiences, with a view to improving all aspects of the practice of forestry. Worldwide, national and regional recommendations will also be formulated.

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Quebec City was the unanimous choice of all of Canada. It was supported by the Canadian council of forest ministers and of the national forest strategy coalition. If Canada is selected, this will be the first time a world forestry congress will be held in our country.

Our best wishes to Quebec City in its bid to host this congress, a major event for Quebec and for all of Canada.

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[English]

THE DOUGLAS TAVERN

Mr. Hec Clouthier (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, beginning this weekend, for singing and dancing and all sorts of fun, the Douglas Tavern cannot be outdone. Drop into the Douglas Tavern, located in the hamlet of Douglas, in my great riding of Renfrew—Nipissing—Pembroke during the days leading up to St. Patrick's Day and you will have the experience of a lifetime. If you do not meet old friends, you will make new friends.

Affectionately known as The Diddly, it has become the designated destination for thousands of Ottawa Valley Irish and Irish rovers from across the country and around the world. Even if you are not Irish, you will still be warmly welcomed by owners Terry and Evelyn McHale.

March 17 is almost a statutory holiday in the valley. It is a day to celebrate the end of winter, the beginning of spring and the joy of music, laughter, life, love and fellowship.

It may be magnified in Douglas, but that exhilarating exuberance beats in the heart of every Canadian of every ethnicity.

Mr. Speaker, slainté.

BILL C-68

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, yesterday I met with police officers from my home province of Saskatchewan. They were all members of the Canadian Police Association.

They expressed many concerns to me, the most alarming of which was that they felt people were losing faith in the criminal justice system. One of the reasons they cited was cutbacks in resources to fight real crime, while hundreds of millions of dollars are being wasted on gun registration. Seventy-six per cent of CPA members in Saskatchewan voted against Bill C-68.

Biker gangs, native gangs and organized crime are moving into Saskatchewan. Drug trafficking is on the increase. They said people want to feel safe or they do not want to be there.

• (1405)

They said crimes are not going down, there are just fewer police to detect them. They said people are so frustrated they are not bothering to report crimes any more.

When is the government going to start putting tax dollars where the police think they will do the most good?

POLAND

Ms. Sarmite Bulte (Parkdale—High Park, Lib.): Mr. Speaker, on Friday, March 12 the Polish foreign minister will deliver the ratification of Poland's accession to NATO to Secretary of State Madeleine Albright in Washington. This event marks one of the first steps in a truly historic process.

Our government was the first among allied nations to recognize the importance of the Polish people's desire to gain NATO membership. The government has heard the call of the Polish-Canadian community and has fully endorsed the principles behind NATO enlargement.

This demonstration of support can only increase stability in the region and strengthen the emerging democracies.

Poland's accession into NATO symbolizes the progress it has made in past years in transforming its society.

This accession also proves that Poland has now reclaimed its rightful place in the western world.

I would also take this opportunity to salute Dr. Andrzej Garlicki, the former president of the Canadian-Polish Congress, Mr. Lucien Konrad, the current president, as well as countless others who, for over half a century, have worked to attain a goal that will come to fruition within a matter of days.

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MCGILL UNIVERSITY

Hon. Sheila Finestone (Mount Royal, Lib.): Mr. Speaker, Montreal is the home of McGill University, an outstanding national and international world-renowned educational institution.

Sunday on Parliament Hill I had the honour of hosting members of the Ottawa Alumni Chapter, highlighting the achievements of the McGill Middle East Program in Civil Society and Peace Building.

This program is partially funded by the Canadian International Development Agency and was designed by Dr. Jim Torczyner in conjunction with the McGill Consortium for Human Rights Advocacy Training.

Four fellows of the master student program, Jordanians, Israelis and Palestinians, described how their studies enable them to work

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together on their communities' common problems of human development. Their shared goal is to create a better social infrastructure and democratic institutions in their region.

The people to people program advances the cause of peace by promoting civil society. It is an undertaking in collaboration with universities in Jordan, Israel and Palestine by McGill and CIDA, enhancing the security of the Middle East.

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SINGLE INCOME FAMILIES

Mr. Eric Lowther (Calgary Centre, Ref.): Mr. Speaker, let the record show that the Prime Minister, the finance minister and the governing Liberals do not value equitable treatment of parents. They do not allow parents to make equitable choices about the care of their children.

Last night's motion called for equity. It called for fairness. It called for an end to a tax policy which penalizes most parents and rewards other parental choices.

Every Liberal voted against the motion. What did the motion say? It simply stated that in the opinion of this House the federal tax system should be reformed to end discrimination against single income families with children.

The finance minister admitted that the tax code discriminates against families by saying that the finance committee should study the matter. But rather than allowing the House to give that committee a mandate to end tax discrimination, the order from the PMO came down to oppose the motion and every single Liberal MP complied.

How can anyone expect anything-

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[Translation]

QUEBEC FINANCE MINISTER'S BUDGET

Mr. Nick Discepola (Vaudreuil—Soulanges, Lib.): Mr. Speaker, as was only to be expected, yesterday's budget of the Quebec Minister of Finance was a highly partisan affair.

In particular, he claimed not to need the federal government's money. However, did anyone notice how quickly our cheque was cashed?

We are pleased that the \$1.4 billion in equalization payments from the Canadian government will be put into such vital areas as health and education, both priorities for Quebeckers.

I would remind the sovereignists that Quebeckers are sick of the quarrels being stirred up artificially by the Parti Quebecois government. Quebeckers are calling on their government to work in close collaboration, so that they may gain maximum benefit from their share

So, sovereignists, stop playing these prereferendum games. Quebeckers are calling you to order.

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[English]

JUDIQUE CREIGNISH CONSOLIDATED SCHOOL

Mrs. Michelle Dockrill (Bras d'Or—Cape Breton, NDP): Mr. Speaker, today, after one week, parents ended their occupation of the Judique Creignish Consolidated School, but the issues that drove them to the desperate act of staging the occupation remain unresolved.

• (1410)

Judique is not alone. Last weekend students and parents in Inverness formed a one kilometre human chain to express concern about the future of their schools. In Richmond County parents and students are worried about the site of a new high school.

Once again the federal government has created a budget squeeze with its cuts to transfer payments. This is combined with a shiftless provincial government more interested in lining its friends' pockets.

It is another example of the government cutting off an arm and then telling the person to be grateful when it gives them back their hand. It is typical of the contempt with which the Liberals in Halifax and Ottawa treat rural areas, areas most affected by the cuts to education and other services.

In this case the provincial government is trying to tell us that the school whose graduates include Natalie MacMaster and Ashley MacIsaac is to be closed so students get a better music program. The Grammy count for the graduating class must be down this year. I take this opportunity to express my support—

The Speaker: The hon. member for Matapédia—Matane.

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[Translation]

JEAN-MARIE NADEAU

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, no man is a prophet in his own country. Today, Jean-Marie Nadeau, a resident of Moncton, will receive the Ordre des francophones d'Amérique from the Government of Quebec. This award from the Conseil de la langue française is being presented to Mr. Nadeau in recognition of his remarkable contribution to the development of Acadia.

Jean-Marie Nadeau has worked all his life for the advancement of Acadians and for the labour movement. He has served as a member of the Parti acadien, the NDP, the Société nationale de

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l'Acadie, and the Société des Acadiens et Acadiennes du Nouveau-Brunswick, as well as numerous community groups and labour organizations.

This man of principle lost his job as an editorial writer for *L'Acadie nouvelle* for his support of striking newspaper staff.

A staunch nationalist, Jean-Marie Nadeau is also one of the all too few francophones outside Quebec who are not afraid of sovereignty, who have understood that a stronger Quebec—

The Speaker: The hon. member for Toronto Centre—Rosedale.

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[English]

BILINGUALISM

Mr. Bill Graham (Toronto Centre—Rosedale, Lib.): Mr. Speaker, the recent row over bilingualism policy in Reform Party ranks illustrates both the inability of Reform to accept the reality of Canada and the heavy handedness of the party leadership when one of its own steps out of line.

The Reform Party's official spokesperson for bilingualism welcomed the government's policy on bilingualism, only to be jumped on by the party whip and the member for Yellowhead who stated that "we aren't a bilingual country" and that bilingual policies in Toronto do not make sense.

[Translation]

We, the Liberal members from Toronto, are very proud of Toronto's multicultural character. But we are also determined to help the French language flourish in our city. This language is part of our heritage and is spoken by our fellow Franco-Ontarians as well as many of us, and its existence in Toronto's schools, theatres and homes enriches us all.

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CANADIAN OLYMPIC ASSOCIATION

Mrs. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, the Canadian olympic association is exceeding its mandate by including in its information guide for parliamentarians a full section promoting the national identity, in which it says:

While there are linguistic differences and multiple cultures in Canada, the 300 Canadian athletes that march in the Olympic stadium form a single people.

This negation of the existence of the people of Quebec shows the true colour of Canadian federalism. How could anyone think that Quebec athletes, who are unfairly treated in terms of the national support they are getting for their training needs and whose rights are so often trampled, will believe such a statement?

Quebec athletes are perfectly capable of determining how the unitary national identity being promoted by the federal government reflects their own values.

The very predominantly anglophone Canadian olympic association should limit its activities to contributing effectively and fairly to the training of the best athletes.

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[English]

CANADIAN POLICE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I rise today to pay tribute to police forces across Canada. Yesterday, and again today, I met with policemen from coast to coast who are in Ottawa raising their concerns with members of parliament.

In my home city of Saint John, New Brunswick, this year is the 150th anniversary of our municipal police force. The force is currently 175 members strong and it, like so many police forces across Canada, is doing a fabulous job. This police force is involved in over 100 community initiatives that range in everything from fundraising for community projects to proactive educational crime prevention.

Mr. Speaker, I cannot tell you how proud I am of these brave police officers and officers all across Canada who every day risk so much to maintain our safety. I say thank you to all police forces throughout our nation and I congratulate the Saint John police force on its 150th anniversary.

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● (1415)

COLLEGE ROYAL

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, this month the University of Guelph celebrates the 75th anniversary of its world renowned College Royal, and what a celebration it has planned. This year from March 3 to March 14 College Royal will attract over 20,000 visitors to the University of Guelph's beautiful campus. They will enjoy various events, displays and demonstrations designed by the talented students from within many of the colleges and departments at the university.

The University of Guelph is a world class institution well known for its dedication to excellence in education and research, and College Royal is a chance to showcase what I believe is the number one university in Canada. This being its 75th anniversary, organizers have promised the biggest and best College Royal yet.

I encourage everyone to take a trip to Guelph this weekend to enjoy the College Royal open house. They will not be disappointed.

ORAL QUESTION PERIOD

[English]

FAMILIES

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, today at the United Nations representatives of this government are arguing that tax discrimination against single income families is a good thing. In fact, these Liberal lawyers are saying that if the government ended this tax discrimination, stay at home parents would never want to leave the house to get a real job. That is what they are saying.

Would the Prime Minister care to explain why his lawyers are at the United Nations today arguing in favour of tax discrimination?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the government's position is very clear. We believe in individual taxation. We do not believe, for instance, that when a lower income spouse joins the workforce he or she should be taxed at the rate of the family or the higher income. We believe in progressive taxation. That is our position. At the same time we believe in bringing in measures that will help families raise their children.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, we wanted to hear from the real Prime Minister, not the would-be prime minister. No one believes the Prime Minister cares about tax fairness for families. He has brought in six budgets that discriminate against them. He ordered his backbenchers last night to vote against tax fairness for families. Today he has his lawyers at the United Nations arguing in favour of tax discrimination. Why does the Prime Minister not just admit that his policy is to discriminate against single income families?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is a priority of the Minister of Finance to have a progressive system of taxation and a policy to help families, single mothers and so on. Whenever we introduce a measure of that nature in the House of Commons, that party, which is trying to get a new name to hide what it is, votes against it.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, the Prime Minister evades my question. His lawyers are at the United Nations today arguing in favour of tax discrimination against single income families. They are arguing that stay at home parents would not want to leave the home if they got the tax fairness of the type we are advocating. Does the Prime Minister agree with his lawyers or not? Is he or is he not in favour of tax discrimination against single income families?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have a system of fair taxation. We have a system that can help a family member join the labour force if the family needs that.

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We do not want a system that penalizes those who are obliged to go to work. We do not want the family member who joins the workforce when the spouse is working to be taxed at the higher level.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, the Prime Minister still did not answer the question. His lawyers are arguing that one of the reasons for tax discrimination against single income families is to get parents to leave the home for the paid workforce. That is their argument. Is that argument the position of the government? Does the Prime Minister support it, yes or no?

Hon. Hedy Fry (Secretary of State (Multiculturalism)(Status of Women), Lib.): Mr. Speaker, I wish the hon. member would get his facts right. There are no lawyers in New York or anywhere arguing anything. There are no lawyers anywhere.

● (1420)

Some hon. members: Oh, oh.

The Speaker: I do not know if the hon. minister had finished.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, I will ask this question one more time to one Liberal lawyer I know is in the House. My question is for the Prime Minister, who has been evasive all week on this issue and who has let other ministers answer.

Does the Prime Minister believe that high taxes should be used to get parents to work outside the home?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have a progressive tax system in Canada. We have a system where we make tax credits available to people who need them. We have policies that help families. We have tax credits and so on.

While we have these policies, the Reform Party, trying to change its name but not its policies, does not want to help the people in need. That is very well known.

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[Translation]

CULTURAL DIVERSITY

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, it is distressing to note that the Minister of Canadian Heritage has decided to boycott the meeting in Paris on cultural diversity, because in this area, the more defenders the better.

Her decision is especially upsetting because Quebec and Canada concur on many points in this area.

If the minister considers cultural diversity so important and wants to promote it internationally, would she not do well to recognize it within Canada itself?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there are international rules to be followed. This is an international conference, not one on the Francophonie.

The French minister did not honour the agreements between France and Canada. Under the circumstances, the Minister of Canadian Heritage was quite right to act as she did; I myself even lodged a complaint with the French prime minister.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, as was the case last year in Ottawa, when the government denied Quebec the right to express its culture, does this attitude on the part of the Prime Minister not show that the resolution on the distinct society was nothing but words, an empty resolution not even worth the paper it was written on?

On the subject of culture, Quebec has something to say. Culture is within Quebec's jurisdiction and not that of the heritage minister, or the "ministre de l'héritage", as the Prime Minister calls her.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the country we live in has two official languages, one of which is French, and the Canadian government has jurisdiction over that.

With respect to the French language, the Government of Canada protects the interests of the French culture, especially since the Prime Minister is a francophone from Quebec.

Mrs. Suzanne Tremblay (Rimouski—Mitis, BQ): Mr. Speaker, the federal government gets all upset when Quebec affirms itself on the international scene to defend and represent its culture, which is unique in North America.

Is the tantrum thrown by the Minister of Heritage against France not evidence of a limited and narrow-minded view of Canadian cultural diversity, if there is no place for Quebec on the international scene?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, that was a government decision. We communicated with the French government. We spoke with the office of the President of France, and the decision was not necessarily an invitation with the approval of the Government of France.

Under the circumstances, it was Canada's duty to ensure that the international rules were adhered to by everyone, France included. We do not invite Corsica to cultural discussions here in Canada.

• (1425)

Mrs. Suzanne Tremblay (Rimouski—Mitis, BQ): Mr. Speaker, by boycotting a meeting in Paris solely because Quebec was invited, does the Minister of Canadian Heritage not feel she is

doing a disservice to Canadians, whose interests are not being served by her empty chair policy?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Canada is an independent country. There are international rules that have to be followed.

The French Minister of Culture did not follow them and so it was our duty to indicate this to the Government of France, because in any of our dealings with France, and other countries, we always comply with the rules of international law.

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[English]

INFRASTRUCTURE

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, my question is for the Prime Minister. There is a special road leading to a special chalet in Grand'Mère built at public expense on land leased from the town at the price of \$1 a year. I have no doubt that the RCMP built this road for proper security reasons. There is something odd about this lease. It runs for 10 years and can be renewed for another 15 years.

Does the Prime Minister expect to be in office until the year 2023, at which time the Minister of Finance will be 85 years old? Does the Prime Minister—

Some hon, members: Oh, oh.

The Speaker: Order. The Right Hon. Prime Minister.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, with the way the New Democratic Party is performing in the House of Commons and in the country it would be very easy for me to achieve that goal.

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, at that time the Minister of Finance will be 85 years old.

[Translation]

The fact is that there is a clause in that lease which allows the RCMP to sublet the land to a third party. For \$1 a year, the Prime Minister could be the only one to benefit from a road built at public expense.

Does the Prime Minister intend to personally benefit from that lease, or will he do the right thing and take that clause out of the lease?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of Finance will still be younger than Gladstone, who became Prime Minister of Great Britain at the age of 87. As long as there is life, there is hope.

Incidentally, when the finance minister's father invited me to lunch at the Reform Club, in London, he made sure I sat in front of Gladstone's portrait.

[English]

BANKING

Mr. Scott Brison (Kings—Hants, PC): Mr. Speaker, yesterday the finance minister said that our banking sector is very strong and that Canadians can feel very good about our financial institutions. Yet when the Dominion Bond Rating Service downgraded the credit ratings of our banks yesterday, it was saying that the minister is very wrong. The service blamed the minister's decision to block bank mergers for this downgrading.

What will the minister do to protect Canadians against the certain costs of this downgrading?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am very happy to see that the Conservative Party is in favour of the merger of the banks. I think the Minister of Finance was very well advised and was extremely well supported by this side of the House to block that merger.

Mr. Scott Brison (Kings—Hants, PC): Mr. Speaker, it is interesting that the finance minister did not answer this question. I guess he is very concerned about his own leadership race and recognizes the vulnerability of his decisions.

The Speaker: Let us stick with the policy.

Mr. Scott Brison: Mr. Speaker, Canadians should not have to pay the price for the finance minister's leadership campaign. Canadians now face higher borrowing costs and their investment savings are jeopardized by the blind ambition of the finance minister.

Will the minister commit to seeking a full study, an expert review, of the cost of this downgrading on Canadians and table that study in the House of Commons?

• (1430)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, acting in the best interest of Canadians this decision was made, and he was very strongly encouraged in his decision by the Prime Minister, by the cabinet and by the caucus.

The government has been applauded by most Canadians, but obviously not by the Conservative Party of Canada.

TAXATION

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, the Secretary of State for the Status of Women has some pretty outrageous things to say about taxing families. She said that anyone who wants to end this discrimination in the tax system just

Oral Questions

wants to keep women in the kitchen. What a ridiculous thing to say. Her government's policies pit family against family.

Why does this minister use these negative, prejudiced stereotypes to slur stay at home parents?

Hon. Hedy Fry (Secretary of State (Multiculturalism)(Status of Women), Lib.): Mr. Speaker, I am not jumping to any conclusions at all. The hon. member, Reform member, was quoted as saying "we should try to keep mothers in the home. That is where the whole Reform Party hangs together".

What am I supposed to believe when I read that and when it was also said that today the word is still in essence, the quotation is still true? I must believe that when we try to pit mothers who stay at home against mothers in the workforce and when we take all these divisive statements that are being made by the Reform Party what we are trying to do is keep women barefoot and pregnant.

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, let me say as a Reform woman I am not in favour of being in the kitchen necessarily, unless I have that choice. When I am at home I am not in the kitchen; I am at Swiss Chalet. So there.

This minister continues to say that men do not stay home with their kids. She continues to insult—

Some hon. members: Oh, oh.

The Speaker: Order, please. The hon. member for Edmonton North.

Miss Deborah Grey: Mr. Speaker, this minister has the gall to say that she will not help single income families until double income families get more help first. This is nonsense.

Does the Prime Minister agree with these intolerant views or not?

Hon. Hedy Fry (Secretary of State (Multiculturalism)(Status of Women), Lib.): Mr. Speaker, this caucus and ministers within the cabinet of this government have been working for the last two years on the issue of unpaid work.

This is not something that we just dragged up a week ago and brought to the House. It is something that we think is important. We are not pitting parents against each other. We certainly want to see that the work the mother who stays at home does is valued.

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[Translation]

CANADA-QUEBECAGREEMENT ON MANPOWER

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, yesterday the President of the Treasury Board wondered whether the federal government

was perhaps wrong not to require enforcement of the Official Languages Act as part of the manpower agreement.

Does the Minister of Human Resources Development agree with the remarks made by his colleague, the President of the Treasury Board, who feels it was a mistake to have signed the manpower agreement with Quebec?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, the government has always attached great importance to the protection of minority official language communities in this country.

In the agreement we signed with the Government of Quebec, English speaking citizens can, on request, obtain full access to active measures, while all the agreements we have signed across Canada have required that French speaking citizens be able to obtain service in French where numbers warrant. This is clear proof that the agreement signed with the Government of Quebec meets the objectives we had during negotiations.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témis-couata—Les Basques, BQ): Mr. Speaker, by throwing oil on the fire like this, is the President of the Treasury Board not building a case for renewal of the agreement at a future date, contrary to what the Minister of Human Resources Development has just said?

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, I reviewed carefully with the Minister of Human Resources Development the agreement signed and the accompanying letters and I must say that the explanation given by the Minister of Human Resources Development is perfectly correct, and that I was mistaken.

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• (1435)

[English]

TAXATION

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, the finance minister thinks that cutting taxes for stay at home parents is too complicated.

It is not a problem in Alberta. In Alberta they value parenting. In its budget tomorrow it will announce that it will double and equalize the benefits, the basic exemptions. That will completely eliminate tax discrimination in its system against stay at home families. It will also give all families a tax break.

If Alberta can do it, why can this minister not do it?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, it is quite interesting that the hon. member stands up here and announces the Alberta budget. I am sure the Alberta treasurer

would be very interested in finding his budget scooped by the hon. member.

The simple fact is that the Alberta government set up a fair taxation commission that went around the province. Precisely, the Reform Party objects to an all party House of Commons committee looking into the same thing.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, we know what the minister thinks of committees. His Liberal committee went to him and said please end tax discrimination. What did he do? He ignored the report. He threw it in the garbage.

Last night he forced his MPs to vote against ending tax discrimination. That is what he thinks of the—

The Speaker: I do not know where the member is going in his question about forcing votes. I ask the hon. member to go to his question.

Mr. Monte Solberg: Mr. Speaker, Alberta ended tax discrimination. It acted. Why does the minister not do exactly the same thing?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, I am really delighted the hon. member raised the issue of the work that has been done by the member for Mississauga South and a number of other members on this side of the House.

It recognizes that the Liberal Party has been on this issue a lot longer and in a lot greater depth than the Reform Party ever could.

I only ask the Reform Party now to play a bit of catch-up, participate in the all Commons finance committee and take a look at this issue with the great deal of responsibility that it requires.

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[Translation]

MIRABEL REGION

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, history will bear witness to the total and absolute disaster the federal Liberal government wrought at Mirabel for Quebeckers.

Given that the fiasco at Mirabel is the result of this government's errors, does the Prime Minister intend to seize the opportunity offered him by Bernard Landry to save the Mirabel region and turn it into an international free trade zone?

[English]

Hon. Harbance Singh Dhaliwal (Minister of National Revenue, Lib.): Mr. Speaker, I am very pleased to hear that the Quebec government is working on economic issues that are important for Quebecers.

The government passed a duty deferral program back in 1996 to ensure that tax free zones and international free trade zones could be built. My department has been working for one year with the airport in Montreal to see how a free trade zone could be set up in that area. I met on January 17 to see what we could do to streamline the process to help build an international free trade zone area.

[Translation]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, what they want at Mirabel is for the federal government to do its part. They want a clear answer. Quebeckers are waiting for the federal government to clean up the mess it made.

Will the federal government harmonize its taxes with those of Quebec so Mirabel may become an international free trade zone?

Hon. Martin Cauchon (Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.): Mr. Speaker, we are already working with the people at Mirabel to see what we can do about a free trade zone.

I can say, however, that while the other side was busy with the Tardif commission, we in the Government of Canada were working flat out with Aéroports de Montréal to decide the functions of the two airports.

We worked hard to make sure we could find a function for the Mirabel airport. I can say that, at the moment, we will support the functions developed by Mirabel as well as the conclusions and recommendations of the Tardif commission.

* * *

[English]

TAXATION

Mr. Eric Lowther (Calgary Centre, Ref.): Mr. Speaker, for six years in a row the finance committee has been asked to end this tax discrimination. It has never listened. Is it not obvious that Liberals support discrimination? No free votes. They defend it at the UN.

Will the finance minister ever stop trying to engineer the Canadian family and leave the money and the choices with the parents?

• (1440)

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, let us understand the real agenda of members of the Reform Party. It is in fact to go from individual taxation to taxing family income as a whole.

What that would mean is that low income spouses would be taxed at the rate of the higher income spouse. What it would discourage is people getting married. It would also discourage lower income spouses going into the workforce.

Oral Questions

Is that their motive? If that is what they want to do then why do they not stand up and admit their agenda?

Mr. Eric Lowther (Calgary Centre, Ref.): Mr. Speaker, the agenda that is so evident to all Canadians is that the government across the way is committed to a discriminatory family tax policy.

The Alberta government has moved ahead in this regard. We have put forward proposals on it. Why does that Liberal government continue to ignore the voices of Canadian families?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, what we intend to do is very clear. We intend to make sure that a progressive tax system continues, that higher income Canadians pay tax at a higher rate than lower income Canadians. That is the basis—

Some hon. members: Oh, oh.

The Speaker: Order, please. We have a question asked and I think courtesy demands that we at least listen to the response. I would ask hon. members, please, to lower their voices.

Hon. Paul Martin: Mr. Speaker, there is only one question before the House and that is that members of the Reform Party have an agenda of abolishing individual taxation and going to family taxation. They do not believe that lower income Canadians should pay tax at a lower rate.

If that is the case, why do they not simply stand up in the House and be prepared to defend what they in fact believe?

* * *

[Translation]

IMMIGRATION

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, when questioned Monday in the House concerning the case of Mrs. Castillo, who is to be deported from Canada tomorrow although she has been in Canada for 18 years and has two minor children who were born here, the Minister of Citizenship and Immigration said that the case was under review.

Tomorrow the deportation order is due to be executed. This family has been left hanging long enough. The minister must make her decision known now.

Hon. Lucienne Robillard (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I have already answered that question this week. The case is under review. I am awaiting additional information, and hope to be able to reach a decision a little later on today.

[English]

PARKS

Mr. Charles Hubbard (Miramichi, Lib.): Mr. Speaker, in Newfoundland near Bonavista and Notre Dame Bay there are concerns about a national marine conservation area.

Would the Secretary of State for Parks please inform the people of Newfoundland in the House of his response to their concerns?

Some hon. members: Oh, oh.

The Speaker: Order, please. The hon. member for Miramichi.

Mr. Charles Hubbard: Mr. Speaker, in Newfoundland near Bonavista Bay and Notre Dame Bay they are considering the establishment of a marine conversation area.

As it is under the jurisdiction of the Secretary of State for Parks, I would ask him to respond to their concerns about the establishment of this area.

Hon. Andy Mitchell (Secretary of State (Parks), Lib.): Mr. Speaker, in line with the legislation before the House now where we have made a commitment to consult with local communities, the advisory committee that was appointed has come forward and indicated that there is not widespread support in that area at this time

In view of that advice we will not be proceeding in that area at this time.

TAXATION

Mr. Jason Kenney (Calgary Southeast, Ref.): Mr. Speaker, the finance minister keeps talking about committee hearings on family tax credits.

I have been at hearings of the finance committee where this issue was raised by stay at home parents. Does anyone know how they were received by Liberal members? The member for Vancouver Kingsway told them that they were taking the easy way out. The member for St. Paul's characterized them as elite white women.

We now hear the Secretary of State for the Status of Women saying that they are barefoot and pregnant. Does the Minister of Finance agree with these demeaning characterizations of stay at home parents?

Hon. Hedy Fry (Secretary of State (Multiculturalism)(Status of Women), Lib.): Mr. Speaker, this issue is about how families take care of their children.

I just want to look at the record of members of the Reform Party when it comes to caring about families. They voted against the child tax benefit. They voted against increasing funding for the prenatal nutrition program. They voted against making child support payments tax exempt. They called for the dismantling of the CPP which assists people to stay at home and look after their kids. They promised a \$3 billion cut to equalization payments between six provinces to have—

• (1445)

The Speaker: The hon. member for Calgary Southeast.

Mr. Jason Kenney (Calgary Southeast, Ref.): Mr. Speaker, I would like to ask the member of the Liberal cabinet whether or not she is going to apologize to stay at home parents for characterizing them demeaningly as being barefoot and pregnant in the kitchen? Will she apologize for her colleague from Vancouver—Kingsway who said that they were taking the easy way out? Will she apologize for the member for St. Paul who said that they were characterized as elite white women, or will she continue to perpetuate these slurs and these stereotypes?

Hon. Hedy Fry (Secretary of State (Multiculturalism)(Status of Women), Lib.): Mr. Speaker, I do not know, I am merely repeating what the Reform member himself said. What are we to make of the statement "We should try to keep mothers in the home", and that is where the whole Reform Party hangs together. I am simply repeating what Reform members themselves said.

* * *

AGRICULTURE

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, two days ago the minister responsible for the Canadian Wheat Board told the House that organizers of the farm rally in Regina last Saturday had insisted that only the Minister of Agriculture and Agri-Food or himself would be acceptable to represent the government.

On February 24 rally organizer Sharon Nicholson had written to the deputy minister of agriculture saying to please accept the letter as an invitation to attend in the minister's absence.

Will the minister now concede that his response on Monday was incorrect and apologize to farmers and rally organizers for the federal government's no show last Saturday?

Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, the organizers of the rally had indicated that ministers were their preference to attend the meeting. Unfortunately, neither the minister of agriculture nor myself was available on the particular day that they had chosen. In fact both of us were working on other fronts to defend the interests of farmers, the minister of agriculture on his way to Japan and myself in Washington.

I understand that on other occasions the organizers had indicated that deputies were acceptable replacements, but in fact I was referring to the elected part of the government.

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, on Monday we were told that only elected officials would have been acceptable, then today we are told that in fact deputy ministers would have been acceptable. One of those two statements is incorrect, so I would simply ask the minister responsible for the Canadian Wheat Board whether his statement on Monday is the correct one or if the statement of today is the correct one?

Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, on Monday I was referring to the elected people that the organizers had indicated to us were acceptable. I gather on other occasions they had also indicated that deputy ministers might be suitable substitutes.

The point is not really to argue about the substance of any particular meeting. The point is to develop a program that will provide meaningful assistance to Canadian farmers struggling with a difficult situation. That is why the government has put \$900 million on the table.

VETERANS AFFAIRS

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, the Minister of Veterans Affairs has been quoted as saying "The dignity of veterans will be our utmost and top priority for the government". However, on page 24 of the main estimates tabled in the House, the Department of Veterans Affairs has cut \$1 million from the veterans independence program.

Canadian veterans fought to make this country one of the greatest in the world and have the right to be treated with exceptional care and dignity. Can the minister tell us why this program was cut when there is a need for more money, not less, in the program?

Mr. Bob Wood (Parliamentary Secretary to Minister of Veterans Affairs, Lib.): Mr. Speaker, as the hon. member knows, estimates are estimates. I can tell the hon. member there have been no reductions or cuts under the veterans independence program. Any change that may occur will be as a result of a reduction in the client base.

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I want to thank the hon. parliamentary secretary for informing us that there are not going to be any cuts. I have to tell him there is a need for more money because as veterans get older and we are closing down veterans hospitals, we need more money, not less money.

(1450)

I ask the parliamentary secretary to make sure and tell the House today that those veterans and the veterans independence program will be taken care of. Mr. Bob Wood (Parliamentary Secretary to Minister of Veterans Affairs, Lib.): Mr. Speaker, the member does have that assurance.

It also gives me an opportunity to inform the House that Bill C-61 will be here tomorrow morning for third reading. The bill has the support of all members of the House. When the bill does pass, it will bring extra benefits to veterans and spouses of deceased veterans.

* *

[Translation]

AGRICULTURE

Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.): Mr. Speaker, my question is for the Secretary of State for Agriculture and Agri-Food.

According to recent studies, an average of nearly 200 people end up in hospital every week because of—

Some hon. members: Oh, oh.

The Speaker: Order, please. The hon. member for Abitibi—Baie-James—Nunavik.

Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.): According to recent studies, an average of nearly 200 people end up in hospital every week because of accidents relating to agricultural activities.

Can the secretary of state tell me what the federal government is doing to promote Canadian farm safety?

Hon. Gilbert Normand (Secretary of State (Agriculture and Agri-Food)(Fisheries and Oceans), Lib.): Mr. Speaker, farm safety week this year will run from March 10 to March 17.

Regrettably, there have been many accidents again this past year. Most of these involve children and seniors, and are often related to tractors

Safety on the farm requires good work habits. I encourage all men and women on farms in Canada to be safety-conscious and to ensure the safety of their family members, because—

The Speaker: The hon. member for Selkirk—Interlake.

[English]

Mr. Howard Hilstrom (Selkirk—Interlake, Ref.): Mr. Speaker, my question is for the minister responsible for the Canadian Wheat Board.

Yesterday the Canadian Wheat Board's response to Justice Estey's report recommended that the grain transportation system revert to the regulated system of the 1980s. This is unacceptable. It is time for the minister to take a stand.

Will the minister support the intent of the Estey report and move forward, or the Canadian Wheat Board's response and move backward?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, as the hon. member knows, the statutory review on western grain transportation is moving along well. Discussions are going ahead.

We have received a lot of stakeholder input that will help cabinet evaluate the response to Justice Estey's report. Certainly the views of the Canadian Wheat Board will be considered along with the views of other stakeholders.

[Translation]

RCMP

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, the potential closure of RCMP offices in Drummondville, Saint-Hyacinthe and Granby is creating a lot of turmoil. All the community stakeholders are concerned about the potential departure of the force, whose work is vital in the fight against organized crime among other things.

My question is for the Solicitor General. Has the minister had time since yesterday to see whether the rumours of a move are true and, if so, could he tell us how centralizing services outside our regions will increase the quality of services locally?

[English]

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, I certainly do not have the response of whether one detachment will be open or not remain open. That is an internal matter that will be decided by the RCMP. I can assure my hon. colleague that on fighting organized crime, the government has indicated that it will give the police forces the tools to fight organized crime. We have and we will.

NUCLEAR WEAPONS

Mr. Svend J. Robinson (Burnaby—Douglas, NDP): Mr. Speaker, my question is for the Minister of Foreign Affairs.

Today, former U.S. defense secretary Robert McNamara is in Ottawa urging that Canada push within NATO for a no first use policy on nuclear weapons. While the minister has called for a review of NATO nuclear policy, he has refused to say where he stands on present NATO policy. When will the minister show leadership and join former secretary McNamara and others in clearly calling on NATO to change its dangerous cold war, Reform supported policy and adopt a clear policy of no first use of nuclear weapons?

(1455)

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, I can certainly give you the last part of that question. I had a very informative meeting with the former U.S. secretary of defense along with the former head of the strategic air command. They were very helpful in supplying information about what is happening in the United States.

I would like to remind the hon. member that once a committee tables a report, the Government of Canada has a responsibility to table its response. That response is now being worked on. We have 150 days. It is part of the cabinet process. As soon as the timetable is met, we will be tabling a report. I am sure the hon. member will be very interested in the result.

BANKS

Mr. Scott Brison (Kings—Hants, PC): Mr. Speaker, contrary to what the Prime Minister said today, our party did not support bank mergers. We supported the Minister of Finance standing up for and defending Canadians and negotiating the best deal for Canadians on service charges, services to rural communities, branch access and money for small business.

When the minister had an opportunity to get a better deal for Canadians, he said no. Now his decision has meant higher banking charges for Canadians.

Given that he has given up the opportunity to negotiate a better deal for Canadians, what is he going to do to protect Canadians now?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, first the hon. member has just stated his party's position in terms of approving the bank mergers, which we did not because they were not in the public interest. Second, the government will be coming out with its statement of intent within the not too distant future. The member's questions will be answered.

I would like to answer one other question. The hon. member asked why the Prime Minister took the question that he addressed to me. It is just that we have been talking about this. The view of the government is that I have been having too much fun answering the member's questions.

* * *

CANADIAN BROADCASTING CORPORATION

Mr. John Godfrey (Don Valley West, Lib.): Mr. Speaker, for the past three weeks 3,000 technicians have been on strike at the CBC. What is the Minister of Labour doing to resolve the issue?

Hon. Claudette Bradshaw (Minister of Labour, Lib.): Mr. Speaker, the mediators I appointed have been meeting with the

employers and the union of CBC since Monday. This is very encouraging for us. I urge both parties to continue meeting so that they can negotiate a good collective agreement and we can put an end to this work stoppage.

* * *

AGRICULTURE

Mr. Howard Hilstrom (Selkirk—Interlake, Ref.): Mr. Speaker, neither the transportation minister nor the minister responsible for the Canadian Wheat Board has taken a stand on the Estey report. They sit on their hands, say nothing and do nothing. It is time to come out. Do you want more regulation as the Canadian Wheat Board is saying, back to the 1980s, or do you want to move forward with commercial contracts?

The Speaker: I remind hon. members to please address your questions through the Chair. However, we got the gist of the question.

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, we have asked the various stakeholders to comment on the Estey report. We are now evaluating those comments and will be in a position to have cabinet discussions soon.

This government accelerated the review by one year. We appointed Justice Estey who was universally accepted by everyone in the industry. He has come forward with a very thoughtful plan that can serve as a basis for true reform in western grain transportation. I would hope that the Reform Party will join us in that effort.

* * *

[Translation]

FEDERAL PUBLIC SERVICE

Mr. Yves Rocheleau (Trois-Rivières, BQ): Mr. Speaker, my question is for the President of the Treasury Board.

A battle is being waged between the government and its employees on wage parity, pension fund surplus misappropriation, dragging negotiations and regional differences in pay for blue collar workers.

With public servants out of steam and out of patience, is it not time the President of the Treasury Board assumed his responsibilities as employer and negotiated quickly and in good faith a solution to each of these problems?

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, I am pleased to report that over 85% of the public service has concluded collective agreements with the government.

We have agreed on salaries, working conditions, employee-related conditions and safety issues. The vast majority of public servants have said they are satisfied with what has gone on.

Points of Order

Not only is morale high, but we have only one small group of public servants with whom we are still negotiating, in the hope of reaching a speedy conclusion.

* *

• (1500)

EMPLOYMENTINSURANCE

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, last year, the federal government transferred the problem of gappers to the provinces.

New Brunswick's Liberal government is refusing to provide assistance to new gappers.

My question is for the Minister of Human Resources Development. Will the federal government take up its responsibility anew and provide the necessary funding for those facing the problem of gappers, because this is your responsibility. You are the ones who have created problems for people.

The Speaker: I remind the hon. member to address his remarks through the Chair.

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, very substantial progress has been made with respect to the problem of gappers, of whom there were a large number at the beginning of our EI reform.

At the time, there were close to 7,500 of them. To my delight, this has dropped to 2,000 because of our government's co-operation with the government of Mr. Thériault in New Brunswick.

Active measures have been transferred to the Government of New Brunswick, and I can assure members that it will continue to do a very good job of helping these people find more permanent jobs.

* * *

[English]

POINTS OF ORDER

COMMENTS DURING QUESTION PERIOD

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, in question period the minister for the status of women quoted from some document and said that I had made some ridiculous remark. I would ask her if she would table that because I do not believe it is true.

The Speaker: Did the hon. minister quote from a document?

Hon. Hedy Fry (Secretary of State (Multiculturalism)(Status of Women), Lib.): Mr. Speaker, I quoted from several quotes by members of the party across the way, but not specifically at all the hon. member for Edmonton North.

Routine Proceedings

The Speaker: I address myself to the member for Edmonton North. Is it the contention of the member for Edmonton North that she was directly quoted?

Miss Deborah Grey: Mr. Speaker, that was my understanding, but whatever she is quoting as Reform policy is not true. I am wondering if she could table the document so we could look at it.

The Speaker: I address myself to the minister for the status of women. Did the hon. minister say that she was not directly quoting the member for Edmonton North?

Hon. Hedy Fry: Out of my notes, Mr. Speaker, I made some quotations made by members of the party opposite. I do not recall making any direct one from the hon. member for Edmonton North.

The Speaker: It is a matter of interpretation of the facts and we will let that sit.

• (1505)

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I believe that probably she was quoting another member here, possibly me. I think I have the right to ask for that to be tabled.

The Speaker: Does the hon. minister have an official document that she quoted from? Yes or no.

Hon. Hedy Fry: Mr. Speaker, the quotation is from my notes.

The Speaker: It is not a document and we are not entitled to look at notes. This point is settled.

TABLING OF DOCUMENTS

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, yesterday members of the party opposite asked if I could table certain documents from which my notes had been taken. I would like to table those documents if I might.

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): Mr. Speaker, in light of what has happened in the House of Commons over the last two days, I seek some clarification from the Speaker. Members allegedly quoted from their notes. During question period those quotes were attributed to members opposite. Are we saying that as long as we have something in a note form we can say anything we want about anybody in the House?

The Speaker: No, we are not saying that at all. What we are saying is that if there is an official document that a member is quoting from then we are entitled to see this document. We are saying that on a document if there were notes made we are not entitled to the notes made on the document. We are entitled to the document. That is the ruling I made.

Today I understand there is no document from the hon. minister. She says she just had some notes. I would presume that at that point—

An hon. member: She said she was quoting.

The Speaker: Order, please. Let me check over the blues as to exactly what was said during the question period and if it is necessary, I will come back to the House.

ROUTINE PROCEEDINGS

[English]

WAYS AND MEANS

NOTICE OF MOTION

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, pursuant to Standing Order 83(1), I wish to table a notice of a ways and means motion to amend the Income Tax Act to implement measures that are consequential on changes to the Canada-U.S. Tax Convention, 1980, and to amend the Income Tax Conventions Interpretation Act, the Old Age Security Act, the War Veterans Allowance Act and certain acts related to the Income Tax Act

I am also tabling an explanatory form of notes. I ask that an order of the day be designated for consideration of the motion.

* * *

[Translation]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

COMMITTEES OF THE HOUSE

PUBLIC ACCOUNTS

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I have the honour to present, in both official languages, the 22nd report of the Standing Committee on Public Accounts regarding Chapter 14 of the September 1998 auditor general's report entitled "Indian and Northern Affairs Canada—Comprehensive Land Claims".

I also have the honour to present the 23rd report of the Standing Committee on Public Accounts regarding Chapter 20 of the December 1998 auditor general's report entitled "Preparedness for Year 2000: Government-Wide Mission-Critical Systems".

Pursuant to Standing Order 109 of the House of Commons, the committee requests the government to table a comprehensive response to these reports.

• (1510)

[English]

HAZARDOUS PRODUCTS ACT

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP) moved for leave to introduce Bill C-482, an act to amend the Hazardous Products Act.

She said: Mr. Speaker, I am very pleased to introduce this bill and to say a few words about the significance of it. I want to acknowledge the work of the member for Acadie—Bathurst who presented a motion on this subject to the House. I am pleased to be able to carry on his good work.

This bill amends the Hazardous Products Act. It is about safe toys for young children and ensuring that babies and toddlers are not exposed to phthalates. This is about safe products for all citizens and ensuring consumers are protected from equipment with dangerously high levels of cadmium and lead.

This bill is grounded in the precautionary principle of do no harm. It is about safety first. It is about acting now to warn Canadians of toxic contaminants in products we use every day. It is about putting the public interest first and safeguarding the health and well-being of all Canadians.

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

* * *

BLOOD SAMPLES ACT

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.) moved for leave to introduce Bill C-483, an act to provide for the taking of samples of blood to detect the presence of certain viruses

He said: Mr. Speaker, I thank my hon. colleague from South Surrey—White Rock—Langley for seconding this humanitarian bill. Where persons engaging in emergency services such as police officers, firefighters and medical personnel come into contact with blood products in the actions of their duties, this bill would enable medical practitioners by order of the courts to take a blood sample from persons who are injured to test for the hepatitis B and C viruses and the human immunodeficiency virus because these are potentially lethal and infectious diseases. Those practitioners would inform the emergency personnel who were injured and who came into contact with these blood products of the test results.

This is a matter of fairness and is supported by emergency personnel across this country.

I would ask for unanimous consent that this bill be deemed adopted by the House.

Routine Proceedings

The Deputy Speaker: Perhaps we will get the bill read the first time and then we will try the unanimous consent bit.

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

The Deputy Speaker: Does the hon. member for Esquimalt—Juan de Fuca have the unanimous consent of the House to propose this motion be adopted at all stages now?

Some hon. members: Agreed.

Some hon, members: No.

* * *

CRIMINAL CODE

Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.) moved for leave to introduce Bill C-484, an act to amend the Criminal Code (consecutive sentence for use of firearm in commission of offence).

He said: Mr. Speaker, I rise to introduce a bill that seeks to amend the Criminal Code. Rather than force law-abiding Canadians into registering their firearms, this bill gets tough on those in our society who use a gun in the commission of a crime.

• (1515)

The bill provides that an individual who uses a firearm while committing a crime will receive an additional 10 years. If the firearm is discharged during the criminal act the convicted individual will receive an additional 20 years. If someone is injured, the criminal will have 25 years added to their sentence.

I look forward to the support of members on both sides of the House.

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

* * *

OTTAWA CITIZEN

Hon. Hedy Fry (Secretary of State (Multiculturalism)(Status of Women), Lib.): Mr. Speaker, I rise on a point of order. The note that I referred to was taken from a document which I have just been given.

The document that I would like to table is from the Ottawa Citizen.

The Deputy Speaker: I take it that we can revert to tabling of documents for the purpose of getting this done and consider the document tabled.

Routine Proceedings

[Translation]

PETITIONS

PAY EQUITY

Mrs. Suzanne Tremblay (Rimouski—Mitis, BQ): Mr. Speaker, on behalf of the people in the riding of Laurier—Sainte-Marie, who sincerely believe in equality between men and women and in justice, I have the honour of tabling a petition demanding that the government withdraw its appeal against the public service pay equity decision and give effect to the court ruling requiring it to ensure pay equity for its employees.

This petition combines with those presented by my other Bloc Quebecois colleagues.

[English]

AUTOMOTIVE REPAIR TOOLS

Mr. Paul Bonwick (Simcoe—Grey, Lib.): Mr. Speaker, as a proactive Liberal, I rise today pursuant to Standing Order 36 to table a petition signed by constituents of the riding of Simcoe—Grey, as well as concerned Canadians from across our country.

The petitioners are all automotive technicians who are employed at car dealerships. As a condition of employment they are required to purchase and maintain several thousand dollars worth of automotive tools. At the present time their professional tool investment and expenditures are non-tax deductible and, unlike other professions which require similar expenditures, do not generate any tax credits.

Therefore the petitioners request that parliament readdress this taxation policy, amending the applicable legislation to allow current and future technicians to deduct their investment in automotive repair tools.

MARRIAGE

Mr. Jim Gouk (Kootenay—Boundary—Okanagan, Ref.): Mr. Speaker, I have two petitions to present today. The first deals with Canadian voters who express a concern that the concept of marriage should be a voluntary union of a single male and a single female.

They call upon parliament to amend the Marriage Act, Prohibitive Degrees, and the Interpretation Act so as to define in statute that a marriage can only be entered into between a single male and a single female.

BILL C-68

Mr. Jim Gouk (Kootenay—Boundary—Okanagan, Ref.): Mr. Speaker, the second petition constitutes over 200 pages signed by Canadians in B.C., Alberta, Ontario and Quebec and deals with Bill C-68, the Firearms Act.

In brief, the petitioners state that Bill C-68 will provide a false sense of security by suggesting that it will provide safer streets while doing nothing to hamper criminal activities and that it spends hundreds of millions dollars on ineffective registration that would be better spent on disease prevention and cure, establishing DNA data banks for police and providing funds for post-secondary education to enable our young people to deal with the debt they are inheriting from two decades of former governments.

Therefore, your petitioners call upon parliament to repeal—

The Deputy Speaker: The hon. member is reading. He is to give a brief summary of the petition and not read it. I know he knows the rule and would want to comply in every respect.

Mr. Jim Gouk: Mr. Speaker, I was paraphrasing what is in the actual petition.

The petitioners call upon parliament to repeal an act respecting firearms and other weapons and replace it with legislation that deals with the criminal misuse of firearms and a more effective expenditure of taxpayers' bucks.

MAMMOGRAPHY

Mr. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, I am pleased to present two groups of petitions. The first is signed by about 5,000 concerned Canadians who call for the establishment of mandatory quality assurance and quality control standards for mammography in Canada.

In presenting these petitions I would like to thank the Breast Cancer Society of Canada for bringing this important issue to the attention of the House.

● (1520)

DIVORCE ACT

Mr. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, I would like to present a second group of petitions signed by several thousand Canadians who call for amendments to the Divorce Act to ensure that parents do not lose touch with their children through the present application of the Divorce Act.

In presenting this group of petitions I would like to thank the National Shared Parenting Association of Saskatchewan.

HEALTH CARE

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I am very honoured to present a petition on behalf of hundreds and hundreds of Canadians on the most critical issue facing this country today, that of the quality of our health care system.

The petitioners call upon the government to preserve medicare, to enforce the principles of the Canada Health Act and to ensure that those principles are applied broadly to all aspects of our health care system.

They urge the government to guarantee national standards of quality, publicly funded health care for every Canadian citizen as a right.

ANIMAL ABUSE

Ms. Eleni Bakopanos (**Ahuntsic, Lib.**): Mr. Speaker, pursuant to Standing Order 36, I am pleased to bring forth a petition from a number of Edmonton and area residents.

The petition calls upon parliament to enact legislation to amend the Criminal Code to provide increased penalties for serious cases of animal abuse and to make illegal the practice of inhumane euthanasia of companion animals.

[Translation]

PAY EQUITY

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, on behalf of the people in the riding of Drummond, who sincerely believe in equality between men and women and in justice, I have the honour of tabling a petition bearing 590 signatures demanding that the government withdraw its appeal against the public service pay equity decision and give effect to the court ruling requiring it to ensure pay equity for its employees.

This petition combines with those presented by my other Bloc Quebecois colleagues.

[English]

RIGHTS OF GRANDPARENTS

Mr. Joseph Volpe (Eglinton—Lawrence, Lib.): Mr. Speaker, I am pleased to present a petition signed by thousands of grandparents from throughout southern Ontario.

The petitioners request that parliament amend the Divorce Act to include a provision, as supported by Bill C-340, regarding the right of spousal parents, grandparents, to have access to or custody of the child or children.

PROTECTION OF CHILDREN

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, I am proud to present two petitions in the House of Commons.

The first petition is from a member in my constituency by the name of Donna Goler. She basically states that the petitioners call upon this parliament to enact legislation to provide protection for children from convicted sex offenders.

SHELLFISHERS

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, the second petition is from the shellfishers organization of Prince Edward Island, which calls upon parliament to direct Revenue Canada, Human Resources Development Canada and the Department of Fisheries and Oceans to harmonize record-keeping

Routine Proceedings

requirements for shellfishers and to inform them properly of these requirements.

RIGHTS OF GRANDPARENTS

Mr. Maurizio Bevilacqua (Vaughan—King—Aurora, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the pleasure to present a petition requesting that parliament amend the Divorce Act to include a provision, as supported by Bill C-340, regarding the right of spousal parents, grandparents, to have access to or custody of the child or children.

[Translation]

PAY EQUITY

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, on behalf of the people in my riding of Québec, who believe sincerely in equality between men and women and in justice, I have the honour to table a petition signed by 840 people and demanding that the federal government withdraw its appeal against the public service pay equity decision and give effect to the court ruling that it ensure pay equity for its employees.

This is one of a series of petitions presented by my colleagues in the Bloc Quebecois.

I also have the honour, on behalf of my colleague, the hon. member for Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok, who is has been held up by bad weather, to table this other petition on pay equity.

These petitioners, from the riding of Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok, believe sincerely in equality between men and women and in justice and demand that the federal government withdraw its appeal against the public service pay equity decision and give effect to the court ruling that it ensure pay equity for its employees.

This is also one of a series of petitions presented by my other colleagues in the Bloc Quebecois.

• (1525)

[English]

RIGHTS OF GRANDPARENTS'

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, it gives me great pleasure to introduce a petition signed by many of my constituents as well as others from across the country.

The petition calls on parliament to ask the government to include a provision, as supported by Bill C-340, regarding the right of spousal parents, that is, grandparents, to have access to or custody of their grandchildren.

[Translation]

EMPLOYMENT INSURANCE

Ms. Angela Vautour (Beauséjour—Petitcodiac, NDP): Mr. Speaker, I have two petitions today.

Routine Proceedings

The first petition, with 2,000 signatures, is from people in my riding of Beauséjour—Petitcodiac, as well as from Saint-Louis, Kouchibougouac, Saint-Charles and Pointe-Sapin, all of whom are greatly concerned by the cuts to employment insurance and earn no income for certain periods of the year. These 2,000 petitioners deplore the poverty this situation causes.

[English]

EMPLOYMENT INSURANCE ZONING

Ms. Angela Vautour (Beauséjour—Petitcodiac, NDP): Mr. Speaker, the second petition contains 700 names and is from the region of Albert County, Salisbury and Petitcodiac.

The petition urges the government to take the area out of urban EI zoning and put it in rural where it should be.

HUMAN RIGHTS

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am pleased to present a petition on behalf of a number of Canadians, including some from my own riding of Mississauga South, on the subject of human rights.

The petitioners would like to draw to the attention of the House that human rights abuses continue to be rampant around the world in countries such as Indonesia. They also acknowledge that Canada is recognized internationally as the champion of human rights.

Therefore they call upon parliament to continue to speak out against those who are responsible for human rights violations and also to seek to bring to justice those responsible for such abuses.

[Translation]

GAP BETWEEN RICH AND POOR

Mr. Stéphan Tremblay (Lac-Saint-Jean, BQ): Mr. Speaker, I am pleased to table, today, a petition in which the petitioners express to the House their great distress that the gap between rich and poor continues to widen despite the economic growth in recent years.

Accordingly, the petitioners ask Parliament to agree to strike a parliamentary committee whose specific mandate would be to examine Canadian parliamentarians' ability to reduce the gap between rich and poor in the new context created by globalization and to propose concrete solutions.

[English]

FRESHWATER EXPORTS

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): Mr. Speaker, it is a pleasure to rise pursuant to Standing Order 36 with a whole stack of petitions.

The petitioners are perplexed. On the one hand the government has pointed out that it is concerned about the bulk export of freshwater from Canada, while at the same time it has entered into an agreement with the Government of the United States to look into ways and means of exporting bulk water from Canada.

I am summarizing, but basically the petitioners are perplexed.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if Question No. 137 could be made an order for return, this return would be tabled immediately.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

[Text]

Question No. 137—Mr. David Chatters:

What plans does the government of Canada have for the future development and promotion of the following alternative sources of energy: (a) wind power; (b) geothermal; (c) solar; (d) co-generation; and (e) ethanol?

Return tabled.

[English]

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

[Translation]

MOTIONS FOR PAPERS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

[English]

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I would like Motion No. P-59 to be called.

That an Order of the House do issue for copies of all documents, reports, minutes of meetings, notes, memos and correspondence regarding the storage of nuclear waste in Canada.

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, under Standing Order 97(1), I suggest that this Motion for the Production of Papers be transferred for debate.

The Deputy Speaker: The motion is transferred for debate pursuant to Standing Order 97(1).

Mrs. Diane Ablonczy (Calgary—Nose Hill, Ref.): Mr. Speaker, I would like Motion No. P-53 to be called.

That an Order of the House do issue for copies of all documents, notes, memos, minutes of meetings, contracts and correspondence regarding all aspects of the termination of employment of Mr. Bernard Dussault, from the Office of the Superintendent of Financial Institutions Canada.

Hon. Arthur C. Eggleton: Mr. Speaker, pursuant to Standing Order 97(1), I suggest that this Motion for the Production of Papers be transferred for debate.

The Deputy Speaker: The motion is transferred for debate pursuant to Standing Order 97(1).

• (1530)

Mr. Jason Kenney (Calgary Southeast, Ref.): Mr. Speaker, on December 8 of last year I placed a question on the order paper with respect to the taxation of tobacco products in Nova Scotia.

Some three months have elapsed since it was placed on the order paper. I would like to request that the hon. Parliamentary Secretary to the Government House Leader expedite the response to this order paper question.

The Deputy Speaker: I think the representation has been made, but we have moved off questions. We are now on Notices of Motions for the Production of Papers. Perhaps we could complete dealing with those.

The Deputy Speaker: If the parliamentary secretary wishes to respond to this point, he can.

Mr. Peter Adams: Mr. Speaker, I would be glad to, but to be honest I missed the number. If the member would give me the number I would be glad to look into it.

The Deputy Speaker: I am sure this could be sorted out between the members.

Shall all the remaining Notices of Motions for the Production of Papers stand?

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Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS ACT

The House resumed from March 9 consideration of the motion that Bill C-65, an act to amend the Federal-Provincial Fiscal Arrangements Act, be read the third time and passed.

Government Orders

Mr. Grant McNally (Dewdney—Alouette, Ref.): Mr. Speaker, it is a pleasure to resume debate on this important topic.

I began last day by talking about the government's approach to governing, its way of dealing with the Canadian public and with the provinces. I reiterate that today.

The way the government deals with Canadian taxpayers, with provinces and with all individuals in the country is reprehensible. It is an arrogant approach. It sees itself as the one that has the only answers and it does not give credit to those individuals who are doing the hard work in the country, the taxpayers of Canada, the governments of the provinces and the local governments.

I refer to some of the comments made by the government member for Broadview—Greenwood last day when he stated that he was an interventionist and stood proudly in this place to claim so. He said his government's approach to intervening in the lives of Canadian individuals and provinces was the way to go.

That is what the Liberal government believes. I reiterate what he said, that the sectors of the western economic fabric were reinforced and embellished because of Government of Canada intervention

What the member of the government is saying is that the development of western regions of the country was a result of the Liberal government, that it did it. That is unbelievable. I will list the provinces because I am not even sure the member knows those are the areas he is talking about: British Columbia, Alberta, Saskatchewan and Manitoba.

An hon. member: The alienation committee can find it now.

Mr. Grant McNally: Yes, perhaps the alienation committee can find out on a road map where western Canada is. It is no wonder the government has to send a crew out to do some kind of damage control when there are members of the government standing in this place making these kinds of comments, saying that the central Government of Canada, the Liberal Party of Canada, has been the creators of economic development in the country.

Let us just talk about one example of that interventionist approach called the national energy program. I am sure members of the government remember that. It sucked billions of dollars out of Alberta to fund all kinds of other programs.

An hon. member: \$100 billion.

Mr. Grant McNally: It was \$100 billion, my hon. colleague reminds me, that it sucked out of the province of Alberta in the name of interventionism, in the name of "we have all the answers for you". That approach simply has not worked. That is why there

is Liberal alienation in western Canada. That alienation is growing in all regions of the country with the kinds of things we are seeing the government do.

We saw reference to that yesterday in the House. We saw it today in question period talking about the government's continued discrimination against families, against families that have made the decision to have one of the parents stay home to look after the kids. We heard discriminatory and inflammatory comments being made by the Secretary of State for the Status of Women, the finance minister and other key members of the government. That is their approach to governing and it is shameful.

• (1535)

The bill which would seek to establish equalization payments was done in the same fashion. There was three days of notice that the bill was coming, after having five years to deal with the issue. The government has had five or six budgets to deal with the issue of single income families and remedy the tax discrimination that it continues to enforce penalizing families in Canada and it did nothing about it.

The government pays lip service to the things Canadians are most concerned about yet it fails to take action. The bill is another example of the way of doing business with the Liberal government. The people of Canada are growing very tired of this approach. That is why there is western alienation and alienation in other parts of the country.

I used an analogy last day of a famous Charlie Brown comic strip of which we are all aware. There is character named Lucy who continues to pull the ball away from Charlie Brown just before he kick it. That is how the Liberal government deals with the people of Canada. It is holding the football, pulling it away every time and punishing taxpayers and other individuals as well.

Mr. Dennis J. Mills: Shame on him for repeating my remarks.

Mr. Grant McNally: I hear harping from the member opposite, the member for Broadview-Greenwood, who made those comments. He referred to interventionist ideas and that big government has the solution to all problems, which is truly not the case, as has been played out in history.

I want to end on that note. The government is out of touch. The bill proves it. We offer a fresh vision and a new approach to dealing with the governance of the country.

Mr. Dennis J. Mills (Broadview—Greenwood, Lib.): Mr. Speaker, I appreciate the opportunity to respond to the member's remarks.

First, I would like to correct the record. The member stated that I was an interventionist. The reality is, and I say this to all members

of the Reform Party, I am a passionate interventionist. Let us make sure we get that right.

The essence of why we are in the Chamber at the national government level is to intervene. We are not here to sit back and watch those who do not have a voice or regions of the country that need help and sort of let it go, let it happen, let the municipal politicians do it, let the provincial politicians do it. No. This is what a national government is all about. This is what the bill is all about.

I have to correct another reference that the member made in terms of my remarks yesterday. He suggested that I was not clear about the Government of Canada intervention and where or how it related to western Canada. I believe the member made that statement.

I want to be very specific. By the way, I include my own province of Ontario, but seeing as the member referred to the west I want to be specific. Every western province, whether it is British Columbia, Alberta, Saskatchewan or Manitoba, has benefited immensely by Government of Canada intervention.

It is time the Reform Party realized that is how we build a nation, by the national government intervening from time to time to embellish and improve the economy. For the life of me I cannot understand why the Reform Party wants to walk away from interventionism. To me, it is part and parcel of our daily responsibility in the Chamber.

Let us look at the national energy program. It is another example of where the Government of Canada intervened in terms of security of supply in energy, the Canadianization of our energy system and the conservation content of the NEP. Yet these Reform Party members were knocking it yesterday.

I could go on, but I want to make sure that when members of the Reform Party are quoting my remarks they understand exactly where I stand.

● (1540)

Mr. Grant McNally: Mr. Speaker, I understand exactly where the member stands. I was quoting directly from *Hansard*, from his comments. He reinforced them again today. He is saying that he is a passionate interventionist and asking why it is that we cannot see that is the right way to go. It is very clear why we do not see that it is the right way to go. It is because we fundamentally disagree with that philosophical approach.

The hon. member is saying "Don't worry, Canadians, don't worry, provinces of Canada, we have all the answers. We are the federal government. We are the big daddy". That is the kind of thought he is putting behind his comment that the federal government is the one with the answers, that it has the answers and it has the resources. He fails to point out that the resources he refers to are the tax dollars of Canadians, their hard earned money. That is what those dollars are.

The hon. member brags about the national energy program. It sucked \$100 billion out of Alberta to fund all kinds of other things that in many instances, not all, were wasteful programs.

The member and his government do not understand their approach and how it has alienated individual Canadians from coast to coast to coast, particularly in western Canada, in British Columbia, Alberta, Saskatchewan and Manitoba. Government members just do not get it. They think that sending out this rescue team from Ottawa, this western alienation team, will somehow solve the problem.

What will solve the problem is when we have the opportunity to implement the policies which reflect the positive direction we have for the country, or when the government starts to listen. I do not think the latter will happen because government members have had so much time here and continue to be deaf on issues.

We are willing to make a positive change for the future. I am hoping that members opposite will also be willing to do that.

Mr. Norman Doyle (St. John's East, PC): Mr. Speaker, I am very pleased today to say a few words on a very important bill not only for the province of Newfoundland and Labrador but for all provinces that receive equalization payments. I believe there are seven provinces in Canada that receive them.

The provinces are very highly dependent on equalization to better their economic situation within the country. It is very important to have the bill fully debated today by all members, if for no other reason than to make the federal government fully aware of the impact of equalization payments on the seven provinces of Canada that are recipients of the equalization formula.

I was told that before the bill came before the House of Commons the province of Newfoundland requested some significant changes to the way the formula treats offshore resources, especially offshore oil and gas. The government, I am told, rejected that request by Premier Tobin and the Government of Newfoundland and Labrador. There really will not be any substantive changes made in the bill, probably a few minor housekeeping changes.

Once again the poorest province in Canada, the province of Newfoundland, will be penalized by the current equalization formula before it is given the chance to actually catch up to the rest of the country and to become equal to other Canadians.

This is what we are talking about today. We are talking about the opportunity that should be given to the have not provinces to catch up to other Canadian provinces that consider themselves to be have provinces. There cannot be any chance of a catch-up for Atlantic Canadians or for that matter western Canadians in provinces like Manitoba and Saskatchewan that also receive equalization pay-

ments as. There cannot be any opportunity given to these provinces to catch up.

● (1545)

There cannot be a chance for equality in the provinces unless there is some recognition given to the fact that the pool of money that will keep a province from starving is the same pool of money that will keep it permanently poor. Newfoundland has been in Confederation for approximately 50 years. In a couple of weeks Newfoundland will have been in this great country for 50 years and there is still no recognition of the one basic fact that the pool of money that will keep a province from starving is the same pool of money that will keep it permanently poor. That is the unfairness and the injustice associated with the way the equalization formula is written.

There will never be an opportunity for the provinces that receive equalization payments to be brought up to the same quality of life and the same standard of living that other Canadians enjoy. They will never have the opportunity under the current formula to reduce the horrendous unemployment problem in Newfoundland, which has an official unemployment rate of about 19.7%. That is a very serious situation indeed.

I am not saying that we should change the formula forever and a day. I am saying there should be some kind of arrangement worked out with the have not provinces which will see resource revenues clawed back on a more gradual basis. It is not to have the federal government take up all of the problems but to have these resource revenues clawed back on a more gradual basis.

Right now there is a 100% clawback on resource revenues produced by any given province. That is the basic unfairness for the poorer provinces. If the federal government wanted, it could change that to make it a bit easier for those provinces, especially in the Atlantic area, to become equal to the rest of Canada.

For instance, a Voisey's Bay development in Newfoundland could have its resource revenues clawed back on a 50% basis. The Sable Island gas field in Nova Scotia could be clawed back on a 50% basis to give Nova Scotia the opportunity to become a little affluent and raise its standard and quality of life. The federal government has within its power the ability to do that, but I do not believe that is going to be done.

In that way there would be an opportunity to bring some fairness to the current equalization formula and to bring the unemployment rate and quality of life to the receiving provinces up to acceptable standards.

A few months ago my private member's bill on Newfoundland's unemployment problem was selected and debated here in the House of Commons. The point was made by someone speaking in

that debate that if we had a fairer equalization formula applied to Newfoundland as it relates to our offshore revenues, not only would the province of Newfoundland be better off but Canada as a country would be better off as well.

We have to consider the fact that we are members of this nation. Any province that becomes better off is a net contributor to our country. It makes it a bit easier to live within this country and makes it easier on the taxpayers within this country who would not have to continually be injecting funds into the have not provinces.

In the long run there is every reason for the federal government to want the provinces that receive equalization payments to be brought up to an acceptable standard. The federal government could rest a bit easier and would not have that kind of burden placed upon it.

● (1550)

We are all very much aware that the Canadian equalization program redistributes the wealth of this nation. Last year the province of Newfoundland received \$975 million in equalization payments. This year she is going to receive approximately \$925 million in equalization payments. It will be a reduction.

One of the reasons we are going to take a reduction in equalization payments this year is the population factor, the fact that so many people are leaving our province on an annual basis. It is of great concern to the province of Newfoundland that we have a tremendous out-migration every year.

One thing that determines the rate of equalization payments to a province is the population factor. The population of Newfoundland has gone down significantly over the last number of years. Over the past six or seven years we have been losing people at the rate of between 7,000 and 10,000 per year. That is quite a decrease in population for a small province like Newfoundland and Labrador.

If that kind of population decrease occurred in Ontario or B.C., it would not be a great big deal but it is devastating for a province like Newfoundland with a population of half a million to lose anywhere between 7,000 and 10,000 people a year. It is devastating not only in terms of losing some very good young educated people but because of that out-migration the province is losing equalization payments as well. That is a very big and important factor for the province of Newfoundland.

The one overriding concern is that the federal government will deduct dollar for dollar the resource revenues that a province receives. This will have the devastating effect of keeping that province permanently poor.

The Deputy Speaker: I neglected to inform the House at the outset of the hon. member's remarks that we are now into 10 minute speeches without questions or comments. The five hours of debate have expired.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, I was very interested in some of the comments made with regard to Bill C-65. I would like to read from the Constitution, section 36(2) which states:

Parliament and the Government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.

The principle of helping each other through difficult times is an integral aspect of being Canadian. It is something to be proud of. That is the way in which the country was built. Neighbour helped neighbour. We are now at the point where provinces help provinces.

I return to a comment made by the hon. member for Broadview—Greenwood with regard to his passion about the federal government intervening.

We have a rule book when it comes to relationships between the federal and provincial governments. That rule book is called the Constitution of Canada. It is wrong to intervene and violate the provisions of sections 91 or 92. That is where intervention ought to halt. It has not halted there. The government, through the use of its spending power, has intervened into the jurisdictions of the provinces of this country.

Our job as members of parliament above all else is to protect the Constitution of this country, the constitutional rights of every citizen and the constitutional rights of the federal and provincial governments as set out in sections 91 and 92.

● (1555)

Recently the appeal court of Alberta rendered a decision on the federal government's Bill C-68. Four of the five judges admitted that that federal piece of legislation encroached upon the provincial jurisdiction. Three out of the five said it was all right. What was their rationale to come to that conclusion?

If we read the judgment, they have accepted the doctrine that is enunciated by people like the renowned Mr. Peter Hogg who is a constitutional lawyer. What does he say that justifies that the only institution of this country that can protect the constitutional rights of anyone, including the provinces, is the courts? He said that if the federal government introduces a scheme under one of its authority heads such as peace, order and good government, and if it should overlap and encroach upon the provincial governments, it is okay.

With the greatest of respect to Mr. Hogg and to those who support that ideology, I completely disagree, particularly when the provinces do not give their consent for that type of encroachment.

When we look at the interventionist attitude of members on the other side, we ask where in the world did it come from. What they are saying, and I believe this is my understanding of what the member for Broadview—Greenwood was implying, is that if the

federal government feels that a provincial government is not doing the best thing for its people in an area of pure provincial jurisdiction as provided for under section 92 of the Constitution of this country, it can intervene without the consent of the province.

The national energy program that practically destroyed the energy sector in Alberta was an encroachment upon the provincial jurisdiction of that province. The member is saying that that is all right.

One of the problems in this country is this thing called unity. We have problems because when the premiers and the federal authorities come together, they throw the rule book, the Constitution of this country, out the window. When we begin to accept and when our premiers begin to accept the encroachment of the federal government into the jurisdiction of the provinces without their consent, it creates tensions which develop feelings of alienation which lead to feelings and expressions of separation.

Members of parliament should be standing in this place to defend the constitutional rights of all citizens in this country and the components of Confederation, which are the federal government as well as the provincial governments.

The federal government sticks its nose into provincial areas unrequested. Yet it ignores those areas that fall under section 91, which is its jurisdiction.

What about interprovincial trade barriers? What about the fact that it costs the consumers of this country, our children and their moms and dads, \$5 billion to \$6 billion a year because the government allows interprovincial trade barriers to be set up and maintained. Under section 91 it is the federal government's jurisdiction to deal with that and it allows that kind of thing to go on. Why does the government not stay in its area of authority and let the provinces look after their areas? If this would happen, then the tensions that lead to disunity across this country would be eased.

When we want to set standards, let us do it in a co-operative way. Let the federal government negotiate and use the power of persuasion and common sense to say to the provinces that it is in everyone's best interests if we have a standardized health care system, or a standardized measuring system, or a standardized criminal justice system.

● (1600)

This bill opens the door for that kind of debate and intervention. I say to the government, to the people of this country and certainly to members of parliament that it is our duty and responsibility to ensure that we are not led down the garden path by ideologies put forward by extremely passionate interventionists, if I can use the term used by the member for Broadview—Greenwood.

Government Orders

The federal government can intervene in provincial jurisdiction with the authority of the provinces. However, we have had four provinces and two territories oppose Bill C-68 and other bills and the only institutions of government that can protect the constitutional rights of our provinces are the courts of this land. We, as members of parliament, cannot do it.

That was evident when Bill C-68 was debated and the aboriginal rights of the James Bay Cree and the Yukon Indians were being violated. The evidence was very clear that their constitutional rights were being violated and members of this House could not protect them. The only protection they had was from the courts of this land.

With the greatest respect to the Alberta court of appeal, we now have members on that appeal sitting on the bench saying "Yes, Bill C-68 intervenes into provincial jurisdiction, but that is all right". If the government introduces a scheme under one of its authority heads and it overlaps into provincial jurisdiction that is too bad.

What I am suggesting is that when that begins to occur without the consent of the provinces and the other partners in Confederation then we are contributing to the disunity of this country. We are also contributing to the feelings of alienation that are all too high in some parts of the country. We feel it every time we hold a public meeting in western Canada.

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, before I address Bill C-65 today I would like to thank the hon. member for Crowfoot for putting forward his grave concerns about how far this federal government is intruding into provincial jurisdiction. I think my colleague from Crowfoot did that very adequately, especially in regard to Bill C-68, but it goes further, as the member is well aware.

Interprovincial trade barriers are another strong case in point. The government refuses to look at the issue or even to address it. However, it is not only this government. We have become mired in this mess through not only this government, but through previous Progressive Conservative and Liberal governments from times long past, hopefully never to be repeated again.

Let us have a look at this bill. One of the things I find very contentious in regard to this bill is that equalization happens every five years. The government has had five years to study this bill. It is a large bill and it amounts to a large amount of money, yet the government decided that we would only receive three days' notice. There was no draft legislation. We were not allowed academic input. What bothers me most is that there was no public consultation.

I have news for government members. The people who pay the bills are the people who pay their wages. I know they do not believe this, although I have said it time and again, but the government has no money. It has exactly what it can gouge from the taxpayers of Canada. That is the only money it has and that is the money it uses.

When it starts letting out hundreds of millions of dollars government members should be well aware of exactly what they are doing.

• (1605)

No one in this House is against helping those who need help, but most of us would agree that we should do it under a fair system, one that treats everything and everyone in this country equally.

Let us look at what we are talking about cost-wise. This program will cost an additional \$48 million in the first year which will rise to \$242 million by the fifth year, once the changes are fully implemented. Funding for the equalization program will increase by an estimated \$700 million by year five.

We are not talking about small amounts of money, no matter what some members opposite have said. To me \$700 million is a large amount of money.

I might add that I am from the province of British Columbia, which is a have province. I really have to wonder about that. Right now we have the highest unemployment we have had in many years in the province of British Columbia. The logging industry is in dire straits with massive layoffs. The mining industry is packing up and running, not only due to federal legislation but also greatly due to the provincial government that is in power in British Columbia today.

Speaking of the government that is in power there today, I want people in the House to know that it is an NDP government, the so-called caring and sharing government of the working people, which brings me to another concern I have with this bill.

The bills states that casino funds will be put into the mix. I want everyone here to fully understand what happened in British Columbia with regard to charities, with regard to bingo and with regard to gaming by an NDP provincial government. That government ripped that right out of those charities and now we are saying that we will go ahead and introduce it in this legislation.

I have a great concern that things might not all be on the up and up with some provincial governments with regard to where these funds will really go.

The hon. member from Newfoundland said that Newfoundland has a rate of 19% unemployment. That is high. I had the opportunity to travel to Newfoundland last year. I travelled across Newfoundland extensively. I know they are having tough times. British Columbia as well is having tough times. I cannot say that it is all the provincial government's fault. I would have to say that a great portion of it falls right here on the shoulders of members sitting across the way because of high taxation. We know that is what kills

jobs. What kills entrepreneurship and what keeps businesses from staying in the country is the high level of taxation.

It is not hard to see where this government comes from. It is called tax and spend. I am not saying that the government has to go this route at all. However, if it would look at the simple facts, which countries around the world have tried and tested, and if it were to cut taxation, the level of government revenues would actually increase.

I say to members across the way, believe it or not. People start to create jobs then. They have a few dollars in their pockets to spend and it does not go into the government's pocket. I know Liberal members do not like to hear that. When it goes into the government's pocket that means the taxpayer no longer has it in theirs. That upsets government members terribly.

It is sort of like going back to the old days and knowing that if we could put something away for our retirement we would live far better in our elderly years. This government only thinks of one thing. The more it taxes, the better its members can live in their elderly years, not the taxpayer. I really have to wonder about that.

Let us look at the unfairness of some of this. Let us look at what the auditor general gave the government in 1997 to address. What has it done to date? Absolutely zip.

 \bullet (1610)

The auditor general said with regard to the equalization payments that property taxes vary from province to province. Property assessment methods vary between municipalities, let alone provinces. Property assessments are infrequent and done in different years.

The government is lumping this all in as one, but it varies. Bring it in under the provincial GDP. Let us open it up, have a look at it and discuss it. Do not give it to us for three days, after the government has had five years to study it, especially when it has done zip. Government members say "Here it is. Let's get at it".

I know members on the other side of the House understand that this is the way Liberals have done business for years and years and years. However, on this side of the House the times are changing. Whether they like it or not they are coming into a new century.

Sooner or later, you will have to take off your shades and address these problems with your eyes wide open for a change. The people of Canada are waiting for you people to finally do that. They have been waiting and waiting and waiting.

Hopefully it will happen before all of you over there are in line for your old age pensions. Then maybe you will not find out exactly what a large portion of Canadians have to live with, high taxation. I say again that there is nobody in this House from any party who I know of who is against helping those who need honest help. Absolutely nothing. However, let us look at this so that it is proper help and we do not keep ripping off the provinces.

I will say a prayer tonight in the hopes that the government will finally wake up.

The Acting Speaker (Mr. McClelland): Before we go on to the next dissertation, I remind all hon. members to address each other through the Chair.

Mr. Jim Gouk (Kootenay—Boundary—Okanagan, Ref.): Mr. Speaker, while my colleague from Okanagan—Shuswap was speaking I heard voices opposite saying "Where is the solution?"

I will give those members some solutions which are a little different. I have to speak slowly because, first, I certainly do not want them to miss this. Second, it will be short and succinct. It is a new idea. It is my idea. This is not the party speaking, this is me as an individual.

First, staying with party general philosophy, we believe, as many Canadians do, that the federal government has its nose in so many things that it cannot do any of them, not even one of them, well.

The government interferes in areas of provincial jurisdiction. It gets involved in the daily lives of people from one end of this country to the other in an obtrusive manner. What is the solution to that?

First, it is to recognize that government only functions for one reason.

An hon. member: Can you not just say thank you?

Mr. Jim Gouk: Mr. Speaker, the hon. member totally, non-stop, throughout the speech of my colleague who spoke before me kept saying "Let's have the solution". "Let's have the solution".

Now I stand poised to try to give that to him, but his mouth is going so fast that he cannot get his ears into gear. That is probably why they cannot get these solutions.

There is only one justification for any government. That justification is to do for people those things that they cannot or will not do for themselves. That is the fundamental purpose of government.

If we go with that premise, then we start at the federal level and say that some things can best be done and need to be done at the federal level. There are also a lot of things that are currently being done at the federal level, sometimes exclusive of provincial government, but sometimes inclusive of provincial governments where there are overlaps. All governments need to reduce themselves to doing only those things which the people cannot or will

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not do for themselves. Then those items need to be brought back as close to the people they serve as possible, because after all we keep suggesting we live in a democracy. If we do live in a democracy, then we should also recognize that we as elected officials are not the rulers of people, we are the representatives of people. We are supposed to represent the will of those people.

● (1615)

How better to do that than make sure the services we provide them are provided at the closest level of representation possible so that people have the most input into that process. If the federal government would do that, reduce to doing about 20 things and make sure that it does them well and gets out of all the other things, it could reduce the size of federal government, transferring those responsibilities and duties to closer levels of government to the people. If it did that successfully then we could reach a point where we could return to the way this country used to be run where there was no federal taxation whatsoever. Taxation was at the provincial level.

That is the way this country started out. We had provincial taxation. The federal government of the day back during a world war said we need taxation to pay for the war effort. The government does not seem to realize the war is long over. Even with all that taxation revenue coming in and the war over, it has run up this incredible debt.

Governments are starting to recognize the folly of deficit finance. Governments at the provincial and federal levels are starting to recognize that. Let us keep it going. Let us get back to the point where we say that there are only certain things the federal government should be doing. Stop doing all the other things and give the responsibility back where it belongs to the provinces and possibly even closer.

If the government does that successfully then we can have taxation at the provincial level alone. Where then does the federal government get its money? It gets its money by billing the provinces a fee for services rendered. It bills them on the basis of the provincial GDP. There is the equalization, notwithstanding the truthful comments that my colleague from Okanagan—Shuswap made about what a disastrous job the current government in British Columbia is doing.

British Columbia is still potentially a very wealthy province. I suspect there will soon be a change of government in British Columbia. We can get ourselves back on our feet again. That means British Columbia, my province, will pay a little more for those services than some other provinces that do not have as high a GDP. As a B.C. taxpayer, I do not have a problem with that.

We are looking in the wrong direction in terms of these equalization payments of taking money away from everybody and divvying it up. Look at the taxation system. An individual making \$8,000 or \$9,000 a year pays income tax. They cannot live on the gross amount but they still pay income tax. The government says it

recognizes that they cannot live on that. That is why we have different types of support type payments to help these people out. Then on what little money they have left the government charges them GST. Again it says that it recognizes that people with that low an income cannot afford to pay GST, so it created a GST rebate program.

Can people not see the folly of creating a bureaucracy that takes people's money away on one hand and then creating another bureaucracy to give them some of that money back, using most of it up in the collection and distribution process? It obviously makes much more sense to stop taking it in the first place if we know we will have to give it back. We can do that and solve the equalization problem, solve a lot of the taxation problems and solve a lot of the overlap problems by reducing federal government to only those things that need to be done that can best be done at the federal government.

Bill the provincial governments a fee for services rendered on a provincial GDP basis. That will be the equalization. We will have a lot more control in our province. In the province of Alberta, it would give a lot more control. Alberta is another very responsible province that seems to be running well.

Others can take a page from that. If they cannot run well in the province, the people have the closest access to do something about it. It seems when people come to Ottawa they forget they are here to represent people and take on a life of their own.

• (1620)

That is not official Reform policy but it is an idea that I have been talking about with people for a long time. I hope the few Liberals present will give that some serious thought as a possible alternative to maybe a kernel of a new idea. I know they will not change their entire line of thinking now on the basis of this but I hope it does plant a seed in the minds of some of those people and maybe in the minds of people who are watching this today to think there are alternatives.

We do not need to keep tinkering trying to make little tiny fixes on a system that clearly is not working. What we need is a new look at a new system. I believe if the Liberals honestly take a look at this and evaluate it properly they will find they have something they can better work with that is fairer for all Canadians.

I hope the Liberals are listening. They have certainly quieted down since I started talking. Let us hope that in addition to their mouths not working their ears have started.

[Translation]

The Acting Speaker (Mr. McClelland): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon.

member for Halifax West, Transport; the hon. member for Acadie—Bathurst, Employment Insurance; the hon. member for Churchill River, Health; the hon. member for Beauséjour—Petitcodiac, Employment Insurance.

[English]

Mr. Gerry Ritz (Battlefords—Lloydminster, Ref.): Mr. Speaker, it is indeed a pleasure to have another opportunity to address Bill C-65, an act to amend the Federal-Provincial Fiscal Arrangements Act.

What we are really talking about is spending \$43.5 billion over the next five years and this is really the only time this parliament will get a chance to talk about spending that atrocious amount of money. We might be sympathetic to a government that was in a big hurry to implement important legislation like this but all we see from this side of the House is a government frightened of making mistakes and, like a deer caught in headlights, it freezes and does nothing instead.

We on this side of the House certainly have no problem with the concept of equalization. Equalization grants have been held up as representing Canadian values and as the essence of Canada, supposedly the very stuff that makes us a country. Like many government myths, this one is so thick with rhetoric and misconceptions that average Canadians, the ones paying for and supposedly benefiting the most from this redistribution, are probably unclear what we are arguing about. Canadians are not sure how this affects them one way or another.

To them we can add just about every expert in this country and of course the bureaucrats in the finance department responsible for this complex, convoluted scheme. I believe they have forgotten what the object of equalization really is and are so busy inventing new calculations to hand out taxpayer money that they do not look at what they have done.

We know that section 36 of the Constitution calls for promotion of equal opportunities and a reasonable level of public services to all Canadians across the country. These are noble ideals. The Constitution does not define these terms or set out how these imaginary levels are to be reached.

Over the years the Liberals have applied this peculiar formula to the question. If it is simple, make it complex. If it is not working, it has to be a lack of program funding so add taxpayer money here. It will all get better.

The announcements made by the Prime Minister and the finance minister concerning the social union and equalization fit into this category of fiscal policy. If there are strains in Confederation it is because they have not layered enough bureaucracy on it. Is somebody still complaining? Throw some more money at them and they will shut up for a little while.

There does not seem to be any recognition that the money comes from the same taxpayer who is already paying into these provincial coffers or increasingly now paying user fees for all sorts of public services. There is no federal money versus provincial money, only taxpayer money. Everyone across the country can agree that governments are getting too darn much of it these days.

It is an established principle that whenever a government involves itself in an economic activity there will be distortions. We have to accept some of this no matter what we do. Even if we cut taxes, and I mean really cut taxes, not the shell game we see bandied about here, we know this will affect the behaviour of our citizens in different ways.

There is no such thing as no effect, only good or bad effect. It is sometimes difficult to predict what the outcome might be. Lower taxes tend to increase investment, savings and debt repayment, which are all good effects. It is also possible that people may go on a buying spree with that extra cash and fuel inflation or increase imports over exports, which is not necessarily good.

The most important consideration is that lower taxes put the freedom of choice back into the hands of Canadian taxpayers and that is a great effect in itself. The key to minimizing the distortions we see and the political manipulations in this program, making sure that what we are really trying to accomplish is actually happening in the real world, is to keep programs transparent and accountable.

• (1625)

Everyone should be able to understand how and why the program is set up and be able to make adjustments to changing conditions or to new information as they gather it. What does this government do instead? It adds layers of complexity and rushes a flawed package through parliament before anybody can really get a good look at it. Government members typically protest that they have consulted and studied but they conveniently ignore that there is a big difference between public debate and publicly available information. The public is not informed about the shortcomings of the equalization program and is instead flooded with empty rhetoric like the price of being Canadian, who we are as a nation, and helping the have nots.

When critics rise up to say the program is not doing what it is supposed to do, they are accused of not wanting to help the poor or of trying to split up Confederation or some other such nonsense as we have heard here lately.

If the government were really interested in helping Canadians make the best possible lives for themselves it would many things. The first thing it has to do is make sure it is not engineering an outcome it claims it does not want. All Canadians want their fellow citizens to have good and sustainable jobs, access to education and health care, to enjoy the benefits of living in one of the world's

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greatest countries. Make no mistake, they know it is only fair that their fellow citizens work just as hard as they do to get these things.

We are famous for our obsession with helping the less fortunate and I hope we never lose that impulse. I fear that if Canadians are constantly confronted with the fact that government programs are often counterproductive or so badly designed that money intended for the poor ends up in the hands of lawyers, bureaucrats, lobbyists and so on, anywhere but where it will do the most good, they will become cynical and lose faith in what government tries to sell them.

When we consider the size of the underground economy and the rate of brain drain out of this country, we can see this effect is already settling in. We all know what happens to some people who are given something for nothing. Most self-respecting people want to get off welfare but some take it as a subsidy for a lifestyle choice and remain in that rut for years. If you are being given money to continue to do what you are already doing, naturally you will continue doing it. Why not?

Why should we think provincial politicians will be any different? We know many of them have worked hard to investigate options for employment and new wealth. We also know they have clung to old industries or methods because it has been politically dangerous for them to make the tough decisions and because taxpayers from somewhere else are backstopping the expenditure.

I do not mean to point fingers anywhere in particular or at anybody. All provinces and all politicians have good and bad examples. I do not mean to simplify the historical reasons why one province or region developed the way it did. There can be many factors contributing positively or negatively at various times. We are discussing only equalization here, and there is no question that getting billions of dollars from somebody else's budget affects the decision making process, political manipulation if you will.

Bill C-65 adds complexity by roping in more revenue sources than were originally included. It tries to calculate gross values of resources without taking into account what it cost to generate those revenues in each province or region. It includes side deals to let Nova Scotia and Newfoundland play catch-up with resource wealth but squeezes mineral wealth into one category. It does nothing to address the fact that property taxes, one of the single largest sources of provincial revenue, are calculated differently not only from province to province but often within those provinces as well.

The last item is of extreme importance. Property taxes have the ability to kill investment as fast as any other factor. We have heard recently how our NHL teams are paying relatively high amounts and are suffering from this. Ontario has recently gone through a revision process and many businesses have found their property tax bills going up by hundreds of percentages. We saw that a short time ago in Saskatchewan. It really cut deep. This can kill a small business or a farm. High property taxes damage the construction

industry and discourage development of manufacturing infrastructure. We see industry moving to the States.

What does Bill C-65 do? It actually rewards the provinces for high property taxes. When a government raises this tax it lowers its value but raises the entitlement of the government to more equalization money. It is counterproductive. Nobody raises taxes on the expectation of suffering a loss but we see governments doing this anyway and being rewarded for their counterproductive behaviour by the federal level of government.

We have already highlighted how the net effect of equalization is to hold tax rates higher than desired in the contributing provinces and allows receiving provinces to shift their tax bills in artificial ways to maximize those entitlements. In effect this means that lower income people in the so-called have provinces are paying extra so higher income people in the have not provinces can escape the real cost of subsidized programs. This is not really helping anyone. It is just a transfer of funds.

Some provinces can offer social programs whose costs are carried by other Canadians who have no access to those very programs. This is not equalizing anything for any Canadians.

(1630)

The Liberals seem to twist this into some kind of cruel conspiracy, but they are wrong. I am sure they are more frightened that they will lose the ability to micro manage the economy and therefore lose their purpose as a governing party.

We can see why they come up with complex bills such as Bill C-65. The thing they fail to realize is that Canadians already vote with their feet on this. Brain drain is an excellent example. Industry moving to the States is another excellent example. My province of Saskatchewan is another great example. Our single greatest export is our bright-eyed youth marching off to Alberta and the States. After all, if we are one big happy country, why is it considered failed policy if Canadians decide to go where the jobs are? It is their right. They have to make a living. They have to go there.

How should equalization work? It must be transparent. All Canadians should be able to look at the mechanism and understand it. There is no way they will support it anyway. My party suggests the macro formula. It is very simplified. We would look at the province's GDP per capita, not at hundreds of little variables, and focus the transfers to the provinces where they are truly needed.

I find it difficult that my home province of Saskatchewan is a have not province. We are rich with agriculture, high tech manufacturing, resources and biotechnology. It has a very educated population. We export them and they head up companies all over the world. We have a long history of superdevelopment. When will that

province take responsibility for its misdirected economic policies? Clearly not as long as someone else is paying the bills from somewhere else.

There are other federal systems around the world. Germany has a system where the wealthier regions contribute to a pool of funds that can be drawn on by the less wealthy regions. We have to see more flexibility in the way we work in this country. We do not see anything in Bill C-65 through the fog of rhetoric and complexity that is piled up here.

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, I remind colleagues what the legislation is about. It is intended to renew the current five year equalization agreement which expires on March 31 of this year. It is a typical example of the government trying to rush things through at the last minute.

Specifically the bill makes technical amendments to the formula that determines equalization payments. It also maintains provincial income tax revenue guarantee payments for provinces that have tax collection agreements with the federal government. The legislation will allow those payments to be continued beyond the end of this month until March 31, 2004.

There would not be any need for equalization payments if the government took a position of encouraging the free market principle, that people will go where the work is, and started to enact policies which reorganized how people function within the country to build a secure future.

I have had people in my own riding say to me it probably would be doing the country a major benefit as a whole if we worked through the House to try to entirely remove the need for equalization payments over a decade or so. The present system that has been in place for 40 years has done absolutely nothing to solve the problems of inequality. It just keeps topping up the money and perpetuates a cycle of dependency, never, ever making things better.

Common sense tells us that if the money were left in the pockets of workers and companies in the provinces of Ontario, Alberta and B.C., which are the have provinces that contribute to everybody else, they would produce much greater economic benefits offering even more jobs and needing even more support services from the have not provinces that presently provide things like dairy products from Quebec and telephone centre services from the maritimes.

This is the same principle as the one which says that a dollar in the hands of an entrepreneur, a parent or somebody who gets to spend it in the private sector will be much more productive for the economy than the same dollar given to government.

Governments unfortunately always waste a portion of the money. They simply shuffle it around in the paperwork and it gets lost. It is quite obvious that maybe they collect a dollar in taxes but that dollar never reaches the recipient it is supposed to get to.

It must be obvious even to the most cerebrally challenged Liberal that some of the money collected in the taxes for the purpose of equalization will be lost. I do not know how much that is, but I would be surprised if it were less than 15%.

Wasting money is the government's special skill. I have an example that was sent to me by one of my constituents, a Mr. Jim Galozo, last week. He came to my office and gave me copies of advertisements that were placed by the federal government in the *North Shore News* on February 19, 24 and 26. They were full page advertisements that must have cost \$10,000 to \$12,000 each. There were only a few words on the page: "\$11.5 billion more is a real shot in the arm for our health care system" and then "the Government of Canada". This is a terrible waste of money as identified by my constituent. It is the type of waste of money that we see throughout the government. It is certainly there in the transfer of payments.

● (1635)

I know my constituent, Mr. Galozo, and all my other constituents do not really believe that the waiting lists a year from now will be any shorter than they are today. The problems will still be there.

No wonder B.C. voters get angry over these programs of equalization. All they see is waste and more waste. Frankly it perturbs them and puzzles them how we can be sending money to provinces when they have travelled there and do not see them as have not provinces.

My colleague mentioned Saskatchewan and the richness of what it can do for the economy. B.C. farmers are very disturbed by the fact that they are forced to take butter, cheese and dairy products from Quebec. The B.C. dairy farmers are not allowed to make butter or cheese. There is something wrong with that scenario. Nobody really believes that Quebec is a have not province. These are real problems that need to be addressed.

I see the Minister of Citizenship and Immigration sitting here on one of those rare occasions. She comes in for a lot of criticism in B.C. as well. She shows so little concern for the criminal refugee problem in the province that most people think she might as well be a cardboard cut-out.

The member from Coquitlam has said he has the ear of the Prime Minister, although I wonder when he has it whether it is attached to the Prime Minister. That seems to be a problem as well. While the minister of immigration is here, I hope she will take a serious look at the problems in B.C. which she could address if she really put her mind to it. I can see by the expression on her face that she does not have the slightest intention of doing so. Since we will get absolutely nowhere with the cardboard cut-out, I will continue with the bill that is in hand.

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As I mentioned the have not provinces are listed as Quebec, Nova Scotia, Newfoundland, Saskatchewan, New Brunswick, P.E.I. and Manitoba. Manitoba will loose about \$37 million by the end of the five year term. Ontario, Alberta and British Columbia do not qualify at all as have not provinces, so we are picking up the bill.

Does the government really understand how the people in B.C. feel? I am a member from B.C. and I know that there are other concerns from the other have provinces. Speaking for B.C., does the government really understand how B.C. voters feel when they have to pay enormous amounts of money, billions of dollars to the federal government, only to see it transfer to these other provinces that do not appear to be have not provinces?

British Columbians do not have any problem with assisting provinces that obviously need help to get out of a depressed economic situation. Reform has proposed in the past that the way to correct these economic problems is not to throw money at it the way the Liberals do and have done for 40 years under the equalization program, but to do things that actually stimulate the economy.

For example, in the last parliament the Reform Party proposed that one way this money should be spent is on developing meaningful infrastructure, not on the boondoggle giveaway patronage laden infrastructure the government runs. It would be the type of infrastructure that would, for example, build a freeway from the eastern part of Canada down to Boston. This would start to assist north-south trade.

Last week on one of my flights here I was sitting beside a lady from Halifax. She was telling me how important the amount of tourism from the United States is to her small craft store. I asked her if it would be helpful if there was a decent highway system that ran north-south to encourage tourism. She thought that it would be a great idea to put in a major freeway running through to Boston to get more tourism.

I mentioned earlier about how B.C. farmers are forced to take cheese and butter from Quebec when they are quite capable of making it in their province.

• (1640)

During the last provincial election in Quebec, the leader of the PDQ was on a radio show in Vancouver. The talk show host, Rafe Mair, asked him about his knowledge of transfers to Quebec. That leader of a political party in Quebec, the PDQ, said that Quebec did not get transfers. He had no knowledge of it at all. He did not even know there were equalization payments that came from B.C. and were transferred to Quebec. He seemed to be quite muddled.

In terms of basing equalization payments on the ability of a province to tax, Alberta should get a transfer payment if that is the logic. I wonder what would happen if Alberta tried to introduce a

provincial sales tax. Since there is no chance of Alberta ever managing to introduce a provincial sales tax its ability to tax is reduced. Maybe it should be a have not province. The government should add the ability to add a PST to the other criteria on the list for equalization payments.

I would like to repeat that instead of constantly renewing these arrangements where we transfer huge amounts of money from one part of the country to another, we should be looking at ways of breaking the welfare dependency cycle that gets created by these payments. We should look at ways of tough love.

Maybe there should be a 10 year phase-out period where the provinces get their full transfer payments for 10 years but they have to be working on programs that get them off equalization payments. The federal government should do its best to assist them in making that happen.

[Translation]

The Acting Speaker (Mr. McClelland): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. McClelland): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. McClelland): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. McClelland): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. McClelland): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. McClelland): Call in the members.

[English]

And the bells having rung:

The Acting Speaker (Mr. McClelland): The vote is deferred until 5.15 this afternoon.

Mr. Bob Kilger: Mr. Speaker, I rise on a point of order. I believe that if you were to seek unanimous consent of the House there

would be agreement among all parties to suspend the House until 5.15 p.m.

SUSPENSION OF SITTING

The Acting Speaker (Mr. McClelland): The House has heard the suggestion of the chief government whip. Is there unanimous consent?

Some hon. members: Agreed.

(The sitting of the House was suspended at 4.43 p.m.)

• (1715)

SITTING RESUMED

The House resumed at 5.15 p.m.

The Acting Speaker (Mr. McClelland): It being 5.15 p.m., the House will now proceed to the taking of the deferred recorded division on the motion at the third reading stage of Bill C-65.

Call in the members.

• (1745)

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 335)

YEAS Members

	memoers	
Adams	Alcock	
Assadourian	Asselin	
Augustine	Axworthy (Winnipeg South Centre)	
Bachand (Richmond—Arthabaska)	Baker	
Bakopanos	Barnes	
Beaumier	Bélair	
Bélanger	Bellemare	
Bennett	Bergeron	
Bernier (Tobique—Mactaquac)	Bertrand	
Bevilacqua	Bigras	
Blondin-Andrew	Bonin	
Bonwick	Boudria	
Bradshaw	Brien	
Brison	Brown	
Bryden	Bulte	
Caccia	Calder	
Cannis	Canuel	
Caplan	Cardin	
Carroll	Casey	
Catterall	Cauchon	
Chan	Charbonneau	
Chrétien (Frontenac-Mégantic)	Clouthier	
Coderre	Collenette	
Comuzzi	Copps	
Cullen	Dalphond-Guiral	
	=	

Abbott

Private Members' Business

Desrochers Davies DeVillers Dhaliwal Discepola Dockrill Doyle Dromisky Drouin Duceppe Dubé (Lévis-et-Chutes-de-la-Chaudière) Duhamel Dumas Earle Easter Eggleton Finestone Finlay Folco Fontana Frv Gagliano Gagnon Gallaway Gauthier Girard-Bujold Godfrey Godin (Acadie-Bathurst) Godin (Châteauguay)

Goodale Graham Gray (Windsor West) Grose Guarnieri Guay Guimond Harb Hardy Harvard Harvey Herron Hubbard Ianno Jackson Iftody Jennings Jones

Karygiannis

Keyes Kilger (Stormont-Dundas) Kilgour (Edmonton Southeast)

Karetak-Lindell

Knutson Kraft Sloan Laliberte Lalonde Lastewka Laurin Lavigne Lebel Leung Lee Lill Lincoln Loubier MacAulay MacKay (Pictou-Antigonish-Guysborough) Mahoney

Manley Marceau Marchand Marchi

Marleau Martin (LaSalle—Émard)

Martin (Winnipeg Centre) Massé

McGuire McCormick

McLellan (Edmonton West) McKay (Scarborough East)

McTeague McWhinney

Mercier Mills (Broadview-Greenwood)

Minna Mitchell Murray Nault

Normand O'Brien (London-Fanshawe)

O'Reilly Pagtakhan Paradis Parrish Patry Peric Perron Peterson

Picard (Drummond) Phinney

Pickard (Chatham-Kent Essex) Pillitteri Plamondon Pratt Proctor Proud Provenzano Redman Reed Richardson Riis Robillard Robinson Rocheleau Rock Saada Sauvageau Scott (Fredericton) Sekora Serré Shepherd Solomon Speller St. Denis Steckle

Stewart (Northumberland) Stewart (Brant)

St-Jacques St-Hilaire St-Julien Stoffer

Szabo Telegdi

Thibeault Thompson (New Brunswick Southwest)

Torsney Tremblay (Lac-Saint-Jean)

Tremblay (Rimouski-Mitis) Valeri Vautour Venne Volpe Wappel Whelan Wayne Wood-204 Wilfert

NAYS

Members Ablonczy Chatters

Breitkreuz (Yorkton-Melville) Duncan Elley Epp Gilmou Forseth Gouk Grewal Grey (Edmonton North)

Hanger Hill (Prince George—Peace River) Harris

Hilstrom Hoeppner Jaffer Johnston Kenney (Calgary Southeast) Konrad Lowther

Manning Martin (Esquimalt—Juan de Fuca)

Mark McNally Meredith Mills (Red Deer) Morrison Obhrai Penson Ramsay Reynolds Ritz Schmidt Solberg Stinson Strahl Vellacott White (North Vancouver) Williams-44

PAIRED MEMBERS

Alarie Anderson Bachand (Saint-Jean) Bellehumeur Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok) Byrne Chamberlain de Savoye Debien Fournier Longfield O'Brien (Labrador) Marchi Pettigrew Turp Vanclief

The Speaker: I declare the motion carried.

(Bill read the third time and passed.)

The Speaker: The House will now proceed to the consideration of Private Members' Business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

[English]

COMPETITION ACT, 1998

Mr. Roger Gallaway (Sarnia—Lambton, Lib.) moved that Bill C-393, an act to amend the Competition Act, 1998 (negative option marketing) be read the second time and referred to a committee.

He said: Mr. Speaker, I am sure that those who are milling about will want to hear that next week marks the beginning of consumers week in Canada. It is my pleasure to start the debate on Bill C-393 which is a law proposed to change the Competition Act.

This bill has several themes of fairness. These revolve around fairness where there is no protection of consumers, fairness in a marketplace where there is little or no competition, and fairness for consumers against large business interests.

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● (1750)

Bill C-393 deals with the business practice known as negative option sales and marketing. It involves receiving a product because a consumer failed to say no to the offering of it and then the consumer is asked to pay for it. This practice known as negative option marketing or sales is a perversion, a twisting of what is generally accepted as being the normal rules of contract or sales, which is that an offer is made, acceptance is given in the affirmative and the delivery of the service and payment for that service are reasonably simultaneous.

Those who use negative option sales reverse that method. An offer is sometimes made, sometimes it is hidden, and sometimes there is no apparent choice at all. Instead of accepting the offer, the consumer is expected to say no, that he or she does not want the service. If a consumer fails to say no, then the service is provided, the consumer is billed for it and is expected to pay for it.

We are certainly one of the few countries in the world which allows federally regulated businesses, or undertakings, as the Competition Act calls businesses, to engage in this type of scurrilous behaviour. It is a sleight of hand type sale of a service. It is often a straightforward case of taking advantage of consumers who have little means to protect themselves.

Negative option sales occur under many guises or disguises. I will give some examples of this technique.

One is in the realm of banking. About a year ago the National Bank in a brochure enclosed in monthly bank statements and sent to people in a certain area of Montreal was advertising health care coverage for those travelling outside Canada. Hidden or buried inside the brochure was an invitation, in fact a requirement, that recipients say no to the offering, failing which their accounts were debited \$9.95 a month. Thousands of people did not know they were being charged \$9.95 a month for an offer they in fact did not want

The end result according to the Consumers Association of Canada was that following the start of the debiting of accounts, individual bank branches were receiving between 40 and 50 complaints on any given day. The bank would reverse the offering but there was no way of quantifying how many seniors and other people who did not take the opportunity to check their bank statements were paying for a service which they did not know they were receiving, for which they did not know they were paying \$9.95 a month and more important for many of them, for which there was no use or benefit.

Some may think this is preposterous and some may doubt that it happened, yet the Consumers Association of Canada had hundreds of complaints involving this one specific case.

A second example is a couple who applied for a bank mortgage to purchase their first home. Once again, in the mass of paper they were required to sign, there was an offering, a suggestion—and I use that term very loosely—that they would buy through the bank,

term life insurance equal to the mortgage amount. When the first mortgage payment was made, the couple realized that they were paying an insurance premium in addition to the principal and interest.

Their omission was their failure to say no to the offering, no that they did not want the term life insurance. There was no requirement to say yes. In brief, failure to say no was by the negative option formula an affirmative, a yes to the insurance policy.

• (1755)

The third example concerns university students at the University of Ottawa moving into town in September. The first thing they do is call Bell Canada to have a phone installed. The phone is installed and they are simultaneously told they will receive two months of call waiting free of charge. Their problem is that at the end of two months the bill starts ticking. At the end of month three, there is an additional charge of \$2.70 tacked on to their bill when they had purchased a service they did not know they were buying, they did not know they were paying for it and they never once said "Yes, I know what I am getting. I want it and I know what I am paying for it"

The fourth example is even more insidious. In the summer of 1997 the Toronto Dominion Bank enclosed an eight page brochure in the bank statements it sent to hundreds of thousands of Ontario residents, including residents of the city of Ottawa.

The flyer was called "You and Your Privacy". In its eight pages the flyer purported to state that the Toronto Dominion Bank was very concerned about its clients and how it protected and stored information about its clients. And let us face it. Who knows more about an individual than a banker? When people build a relationship with a bank over a period of many years, the bank has all kinds of information about them, their assets and their spending habits.

Page seven of the brochure contained a negative option suggestion. It said that the Toronto Dominion Bank was going to share all this information that it had collected. In the relationship as banker and client, it was going to share that information with its related corporations such as TD Mortgage, TD Green Line and Toronto Dominion Insurance. Unless the clients called the bank and said no, that they did not want the bank to do this, on October 31, 1997 the Toronto Dominion Bank took all of the information it had amassed from hundreds of thousands of people over many years and downloaded it by computer to its subsidiary companies.

Why did this happen? Because it required the consumers to say no, they do not want this to happen. There is an interesting twist on this. A gentleman reported to my office that he had called and said that he did not want this to happen. It was pointed out to him that because he had a joint bank account, his wife in addition must say no.

We see from this that large federally regulated corporations are imposing an onerous and unreasonable burden on people to escape

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from a situation or to escape a product they do not want and which they are being asked to pay for.

The fifth and final example I will use involved cable companies in this country. If we were to ask any of the eight million cable subscribers who the masters of negative option marketing are, the answer would be very clear. It is the cable companies in Canada.

One can and should ask why we need this bill. The answer is very specific. This bill is designed to apply to federally regulated undertakings or businesses which operate in a marketplace that has little or no competition. This bill is about giving consumers a fair shake in the face of limited or no competition. After all, banking, telecommunications and broadcasting are all areas of business in which there is at best limited competition, if any at all.

I quote from a February 2 editorial in the Hamilton *Spectator* concerning this very bill: "This bill would change the Competition Act to force federally regulated companies to get the express permission of customers for any new service". It is not a very revolutionary idea to have the customers say "I know what I am buying. I know what the cost is and what the implications of it might be and yes, I want it". What could possibly be wrong that? To have federally regulated companies obtain a positive express response of yes before supplying and charging for a service is the way business is done in this country and in most countries of this world. I have to ask why anyone in this place would want to allow it to be otherwise.

(1800)

This bill constructs a firewall between the consumer and the industry and the consumer and the regulator. This bill recognizes that regulators such as the CRTC have failed to protect consumers from companies which would provide TV services and telephone services which are unwanted.

This bill would not allow the sale of health insurance policies to unsuspecting bank clients. Why would anyone in this place want to be part of a scheme that would allow this to happen? I suggest even further that those who would want this to happen should come forward and say so.

I know there will be those who oppose it on the grounds of the Constitution, that is to say the federal government does not have the power to prohibit this. To those people I would simply note this bill deals only with federally regulated undertakings.

By way of comparison, Bill C-20, currently before parliament, regulates the sale of goods or the questionable sale of goods by telephone. It is certainly difficult to recognize that Bill C-20, a government telemarketing bill, is intra vires while Bill C-393 would be ultra vires because they both deal with federally regulated undertakings.

In addition, there are provincial laws which note the federal powers at the level of telecommunications. For example, the law concerning consumer protection in the province of Quebec, a law which is above all provincial, was written several years ago. In it the rights of consumers are enunciated and it makes very clear that the law of Quebec regarding the protection of consumers does not apply to broadcasting. Why? There is no question that broadcasting is clearly a matter for us in this Chamber to deal with. Banking is also clearly a matter for us in this Chamber to deal with.

This is sadly an area of growth according to an Industry Canada study undertaken recently. After all, what could be easier than to sell a product where there is no need to market it, advertise it or persuade consumers they really want it or need it. Most businesses, in launching a service or product, need to determine there is indeed a want for the product or a public desire for the service and that the consumer is willing to put out the money for it.

What does all this mean in terms of removal of consumer dollars in a situation where choice is eliminated? Let us consider the case of the cable industry in 1996 where cable rates, through negative option techniques, rose about \$4 per month per household. The end result was about \$400 million being siphoned from the Canadian economy into one sector, cable companies and their program providers, under circumstances where consumers could not say yes.

In return what did we receive? We saw services which were never ordered and quite simply were often not even wanted. This was \$400 million of discretionary, after tax dollars, about \$50 per household from the eight million cable subscribers in this country. This is \$50 of which they no longer had any control; hundreds of millions of dollars to an industry where there is no competition and in which four corporations control more than 90% of the Canadian marketplace.

Let us also consider the situation of the unknown purchase of a life insurance policy to pay off a mortgage in case of death, a mortgage policy which the consumer has acquired unknowingly but after the fact becomes aware of it and is paying for it.

● (1805)

It is good and prudent to buy this insurance. If a purchase is made by negative option that consumer was never given a fair chance to shop the marketplace and get the best possible price. It is a matter of working the marketplace for the best possible deal in terms of service and price. Negative option marketing and sales cuts the legs out from under this.

The office of consumer affairs at Industry Canada in a study of negative option sales and marketing observes: "In general, profits or convenience would appear to be the motivation behind negative option marketing and/or bundling". Industry Canada, the department responsible for the Competition Act, has recognized the thrust of this business practice. It is all about profits, money and the ease of obtaining it.

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In the September 21, 1996 edition of the Ottawa *Citizen* columnist Tony Atherton asked: "How on earth does a country of barely 30 million souls find itself on the brink of underwriting a total of 51 specialty channels when it can't seem to support one national public broadcaster?"

That is a fair question. The answer which Mr. Atherton supplied himself was: "By now it should be obvious that the usual rules of economics don't apply to the cable industry. Canadian book publishers fold, Canadian magazines tiptoe on the edge of bankruptcy, yet many Canadian cable TV services make money hand over fist".

He made the insightful observation: "Lack of demand is not an issue because cable channels are not in business to meet demand. They are in business to create it".

The fact is negative option marketing is selling where there is no market. Negative option techniques allow sales where there is no demand. It is a phenomenon which creates both market and demand where neither exist.

Industry Canada has noted in its discussion paper on this topic: "Government does need to examine its role in influencing and promoting this type of market behaviour in view of users' or taxpayers' expectations".

This is an appropriate time to raise the spectre of Canadian expectations in terms of marketplace. In a real marketplace where there is demand and open and free competition, consumers can shop for quality, price and choice. When consumers shop for virtually any product they expect an array or a continuum of choices and prices. In the realm of banking, telecommunications and cable there is little to none.

It is interesting to refer to a story published last week, March 6, in the *National Post* which reported a dispute over market share between Shaw Cable and Look Communications. Look has 6,000 subscribers and Shaw has 1.6 million, a real David and Goliath story. It appears that Shaw is trying to win back those 6,000 subscribers by offering free cable to those who have been given a choice in the marketplace.

It is even more interesting to note that Look has now gone to the CRTC to ask it to step in to mediate the dispute. What could be more ironic, the CRTC mediating a dispute between two corporations when in the past it has talked about this being a market matter, a matter of competition.

Canadians want choice but they also realize that in a large country with a relatively small population choice in certain industries is not always absolute. Having said that, they do want to control the circumstances of exercising that choice. Negative option techniques remove any suggestion of choice. That is why we in this place must move to give consumers that right.

On the verge of consumers week I quote a press release issued today by the Consumers Association of Canada about this bill: "It is timely that private member's Bill C-393 is being debated in parliament this week prior to world consumers rights day. World consumers rights day celebrates eight fundamental consumer rights, of which the right of choice is paramount. A piece of legislation that bans abusive negative option marketing is a positive step in the promotion of consumers' right to choice".

• (1810)

Mr. Rahim Jaffer (Edmonton—Strathcona, Ref.): Mr. Speaker, I am pleased to speak to Bill C-393, an act to amend the Competition Act with respect to prohibition of negative option billing. I recognize the work of my colleague from Sarnia—Lambton on this issue.

I know he has worked tirelessly in the interest of consumers and I respect any member who is prepared to champion an issue despite pressures from within their own caucus to be dutiful backbenchers.

This bill is designed to prohibit the practice by federally regulated businesses such as banks, cable and telephone companies of implied consent billing. It would restore the traditional buyer-seller relationship that relies on the consumer's explicit consent before they can be billed for a product or service and would prohibit default billing of consumers who do not expressly decline a product or service. In other words, it would put an end to what is being called negative option billing.

Before making a decision about supporting this legislation, I had spoken to many Canadians about this billing practice. It is clear that this bill has broad support among consumers frustrated by negative option billing. In particular, there is frustration with cable providers that bill for new programs automatically unless the consumer expressly rejects the service.

Consumer groups have cited senior citizens as an example of a group often unaware that they have the choice of opting out of a new service and are consequently billed for programs they do not want or sometimes cannot afford.

While this is just one example let us take a minute to examine our own lives. How many of us are aware of our own dinner plans this evening, never mind the intricate details of our cable bills? The only time we are typically aware of these details is when we expressly order the products or services. We are often just to busy to be careful consumers. This is a source of frustration not simply because of financial costs but because it is deemed to be a violation of an age old relationship between buyers and sellers.

It is clear that consumers are looking for protection from negative option billing. The question is simply how do we provide this protection. Should it come in the form of Bill C-393 or can it

be achieved through market based reforms? I think a balance must be struck.

Bill C-393 has its origins as Bill C-288 which would have amended the Broadcasting Act to restrict negative option billing by cable companies. These companies can currently act with relative impunity as they are federally regulated regional monopolies that are free from the normal constraints of a competitive market. This new version of the bill is broader and instead amends competition laws that apply to all federally regulated industries.

The decision by the hon. member for Sarnia—Lambton to use the Competition Act as a means by which to prohibit negative option billing instead of making changes to the legislation that deals directly with the perpetrators of this practice is troubling for me. Competition laws can profoundly restrict economic freedom and market efficiency, and the general move toward strengthening these laws should be approached with caution.

This bill should not be seen as a mechanism by which to restrict attempts made by companies wishing to expand their market share. We must not allow our competition laws to grow steadily more intrusive. We must act vigilantly to create competition through deregulation of our industries in the interest of every Canadian consumer.

The original purpose of this draft legislation in the form of Bill C-288 was to amend the Broadcasting Act. This dealt much more directly with the source of the problem and would be the preferable course by which to protect consumers against negative option billing.

Negative option billing is a practice common to federally regulated industries that enjoy market protection such that they restrict or limit the consumer's ability to seek out alternative providers of a product or a service. Therefore the deregulation of federally legislated industries should be the first step to eliminating negative option billing and other practices that do not properly serve consumers.

I would much rather have been more supportive of an initiative that worked to limit government in increased consumer choice rather than an initiative that extends the scope of government further into the private sector.

• (1815)

The Reform Party supports limited government and free enterprise, but recognizes the important role of government in creating an economic environment, with fair and transparent rules, that protects both consumers and businesses. However, we differ from the governing party in that we believe that markets serve consumers well as long as competition is permitted.

Bill C-393 is a band-aid solution made necessary by the Liberal resolve to maintain protectionist policies and regional monopolies

in federally regulated industries such as cable, telecommunications and banking, despite the fact that these policies hurt consumers. However, sometimes a band-aid solution is needed until the disinfectant can be found.

Before I conclude, I want to provide an example that illustrates the power of competition to end negative option billing, in case my colleagues in the House have their doubts.

I am sure we are all familiar with Columbia House Records. This is a company that made its money through negative option billing. After signing up with the bulk music distributor, consumers are sent cassettes and CDs on a monthly basis. If they do not send the selections back to the company, they are billed for the merchandise.

This is not a pure example of negative option billing because the customer agreed to these billing terms by signing up with the company. However, the point that is relevant is that consumers were so hostile to this form of billing that the Columbia House sales began to decline.

Soon a competitor entered the market and advertised that it would not engage in negative option billing at all. When faced with this competition, Columbia House very quickly revised its negative option billing practices.

In other words, the drive for profits in a competitive and deregulated industry will give more power to consumers to seek favourable terms. It is the invisible hand of capitalism at work.

To conclude, it is clear that the Liberal mismanagement of federally regulated industries has created an economic environment in which consumers suffer the ill effects of limited competition.

While this bill regrettably increases the power and scope of the Competition Act and restricts private sector decision making, it should receive the qualified support of the Reform caucus until such time as these industries can be deregulated.

After this deregulation, competition will ferret out those businesses that conduct their affairs in a manner inconsistent with consumer interests.

[Translation]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, on behalf of the Bloc Quebecois, I wish to be very clear. We have a great deal of sympathy for the intent of the member for Sarnia—Lambton's bill, which is to ensure that consumers have control over what services businesses supply them with. The Bloc Quebecois will not, however, be in favour of Bill C-393 any more than it was of Bills C-216 and C-288, for the reasons I will now give.

The hon. member for Sarnia—Lambton has expanded his bill. Once again, incidentally, I would like to point out that we have considerable sympathy for him in particular, since he was great friends with a woman I considered my friend here in this House.

But the Quebec consumer protection legislation, Loi sur la protection des consommateurs or consumer protection act, is clear, and already bans the practice he wishes to ban with his bill.

The relevant section of the act reads as follows "No merchant, manufacturer or advertiser can demand any money for goods or services provided to a consumer, when the consumer has not agreed to receive such goods or services".

Our stand is that this legislation does not apply merely to businesses classified as coming under provincial jurisdiction. There was, for instance, the case of the supreme court decision on Irwin Toy's appeal of the ban in the consumer protection act on advertising aimed at children. The supreme court agreed that Irwin Toy was not entitled to run ads that went against the consumer protection act.

(1820)

Commenting on this decision and talking about telecommunications businesses lawyer Pierre Trudel wrote:

—provincial measures that are not as such intended to apply to federal businesses so as to govern their operation may have a certain impact on them. It may therefore legitimately be concluded that provincial legislation will not be *ultra vires* simply because it may affect business decisions to be taken by those who develop or disseminate advertising provided that these provisions do not result in these laws undermining what rightly constitutes their federal specificity".

I mention in passing that, having the industry critic as the Competition Act was amended, I was on several occasions told that the Competition Act was not consumer protection legislation and that it simply concerned relations between competing businesses. I have a transcription in which Mr. Flaherty himself said: "It is not consumer protection legislation".

Our second argument, the stronger, which will bring us back to the heart of the argument, is that, for the Bloc Quebecois and I hope for many others in this House, this bill will conflict—if not more—with the CRTC's authority.

I would point out here that the CRTC has a job to do, a mission, including in section 3, that "French language and English language broadcasters, despite a certain communality, differ in terms of operating conditions and in the long run in terms of their needs".

Need I point out that the operating conditions of broadcasters are not the same in North America and in Canada in English and French. That is why the chair of the CRTC argued before the Senate that it had the power to prevent the use of negative option marketing, which it had not used for consumer protection.

Representatives of the Association des consommateurs québécois told the committee that, although the intention was certainly good, although the grounds for introducing the bill might be noble, and although there would be advantages in English Canada, in French Canada and in Quebec, it was another matter. One of them said:

We are sure that the authors of the bill never examined or understood the disastrous impact of the bill on Canada's francophones. They would surely have wished to take them into account had they understood. In the final analysis, we are relying on their good faith, and we therefore hope that they will see the validity of our position.

The speaker goes on to say:

Need it be repeated that, for consumers in Quebec, choice of programming means not just in English, but obviously in their own language as well?

We believe that the CRTC has long understood this fact and that this is why it has refused to impose a single set of regulations across the country . . .instead taking an approach that recognizes that the francophone market has different needs.

I could go on at length. This was Ms. Drolet's testimony.

Parliamentarians must take this extremely important dimension into account. I know that they did not do so when they voted on Bill C-288, but I repeat that, now more than ever, francophone viewers need the continued protection of the CRTC.

• (1825)

In fact, when to our dismay Bill C-216 and then Bill C-288 were passed, Quebec's then Minister of Communications, Mrs. Beaudoin, said how extremely sorry she was that this had happened.

She said "Although the specific purpose of the bill is to prohibit negative option marketing, it has a much greater impact because it prohibits every other marketing method except pay per view television and particularly because it involves such limited distribution that no new French language service will every get off the ground".

Minister Beaudoin spoke of her concerns about the negative effects this may have on the supply of French-language television services. She said "The French language specialty channels, of vital importance in the current context of open availability, need a critical mass of viewers if they are to be created and to survive. The federal bill will, in fact, deprive any French channels, including the four new ones, of that critical mass".

This is the first hour of debate. The bill will be debated further, and we would ask the hon. members of other parties, and of the other language in particular, to consider the market conditions in Ouebec.

I would conclude by saying that the CRTC did not act on its own authority in deciding on this approach to competition; it was the government's approach, and the French-language media must be allowed to live, not just to merely survive, within that context.

[English]

Mr. John Solomon (Regina—Lumsden—Lake Centre, NDP): Mr. Speaker, as the New Democratic Party spokesperson for consumer affairs I am pleased to speak to Bill C-393 which was proposed by the member for Sarnia—Lambton.

In the last parliament the NDP caucus supported the member's earlier effort to ban negative option billing through Bill C-216, a private member's bill that was seeking to do the same thing at the federal level as had already been done by the NDP government of British Columbia which amended its consumer legislation to ban negative option billing in that province.

The current bill proposes to amend not the Broadcasting Act, but rather the Competition Act to ensure that negative option billing or negative option selling and marketing is prohibited in all sectors under federal jurisdiction, including telephone services, cable television services, financial services and so on.

Banning negative option billing is a way of telling the providers of those federally regulated services that, where their customers are concerned, yes means yes and no means no. There is no implied consent in silence. If they want to charge customers for a new service, they have to be asked first. Ask them nicely and make the sale by convincing them that they need it or want it. The service has to be sold, not forced down people's throats, who are then charged for it. The rules cannot be changed in the middle of the game without their permission. It is just not fair from the consumer's perspective. That is a principle with which I agree.

There are some members who are concerned that this bill will defeat the licence that was recently approved by the CRTC for the Aboriginal Peoples Television Network. This approval was the creation of the network, APTN, and it requires the cable companies to carry this channel on their basic package. I am assured by members, and in particular the sponsor of this bill, that Bill C-393 will not impact on the CRTC's order to include APTN on cable companies' basic services.

It was a most significant and sad day in the last parliament to see the earlier version of this private member's bill, which achieved the extraordinary step of being approved by the House of Commons, effectively killed by the unaccountable, unelected Senate which made a somewhat pointless amendment and sent the bill back to the House where it died on the order paper when the election was called in April of 1997 for June.

• (1830)

I was a member of the House at that time and I well remember the public outrage in the winter of 1995 when the cable companies introduced new specialty channels and restructured their cable package lineups. Let us face it. Winter is cold in Canada sometimes, except in Saskatchewan where I come from, and people like TV

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The cable companies removed some channels from their basic cable lineups and were expecting their customers to pay extra for them unless they read the fine print and cancelled the services, all this with the approval of the CRTC.

New channels were also introduced into what was a much more hostile environment than the channel originators probably deserved simply because people were so appalled at the negative option billing.

I heard a lot of negative comments about that in my constituency office. No wonder the bill enjoyed support on both sides of the House. Since senators do not have constituency offices, or even constituents to whom they are accountable, it is also no wonder they did not respond to the outrage but responded instead to their friends, the giant cable companies.

In the town of Lumsden, after receiving numerous phone calls from very angry cable subscribers, I personally met with Image Cable Systems and persuaded it to hold public meetings with its customers in Lumsden. Subscribers who attended the meeting said overwhelmingly that they did not support the proposed changes to the cable lineup and Image Cable Systems retracted its initial billing.

What made the customers most angry was simply the fact that they were never asked in the first place what they wanted. I am pleased to see the measure before us in parliament and pleased that the member has seen fit to include other federally regulated industries in its scope. I agree with him that we are also seeing the phone companies and some banks testing the waters with these kinds of marketing schemes. It needs to stop now.

Let us remember that most federally regulated industries are granted certain privileges to conduct business in a protected way for they provide essential services to the economy and the people of Canada.

In return for this privilege, which often means they are guaranteed certain levels of profit as well, they have a higher duty to conduct their business in an ethical way. Because the bill proposes to change the Competition Act, we should have disposed of any concerns that the legislation somehow intrudes into the jurisdiction of the provinces. It is very clear that the federal government is responsible for competition policy and federally regulated industries.

Perhaps it is time for parliament to take some time and undertake a more comprehensive review of competition policy and the Competition Act. Private member's Bill C-384 sponsored by the member for Pickering—Ajax—Uxbridge, which proposes another change to the Competition Act, ought to be before committee for study in the next few months.

I have had longstanding criticisms of the ability of the Competition Act to deal with pricing in the retail gasoline market, for example. With the changing nature of the international economy, the simultaneous trends of increased mergers and acquisitions, and

the growing number of small businesses in our economy we need a much more active competition policy to ensure that the marketplace works well for consumers and for small business owners.

I have raised the concerns of independent gas retailers in Saskatchewan with the Competition Bureau, concerns that affect consumers in my province in particular. The number of independent gas retailers has declined dramatically. I would argue, not coincidentally, that we now have the highest gas prices of any jurisdiction in Canada even though our tax regime is identical to those of British Columbia, Manitoba and Ontario. I understand the Competition Bureau is investigating for the criminal investigations branch.

Also this week the leader of the New Democratic Party, my leader, the member for Halifax, raised very grave concerns about the impact of Sobey's assuming control of 75% of the food wholesale market on the east coast. The takeover of Oshawa Group by Sobey's controlled Empire Ltd. would mean that small family restaurants and corner stores will become price takers from one food wholesaler. That hurts them and it will hurt consumers dramatically. It is a competition issue and it is a consumer issue. It is time we made a comprehensive re-examination of the whole policy area.

I want the government to stand up and fight for ordinary Canadians by establishing a comprehensive consumers protection act. We are the only country that does not have one to protect consumers. Instead we have an act that protects giant multinationals and huge corporations from the people and guarantees them huge profits. That is unacceptable in this day and age.

• (1835)

We do not have one-tenth the amount of competition legislation the United States has. I am not saying that more is better but what we have now is not, as I am told every day, working for anybody but the large corporations and the very wealthy families.

In summary, I support the principle of the member's bill. I hope it receives wide support from the House once again and is not stalled in the unelected, unaccountable, unacceptable Senate of Canada

Mr. Jim Jones (Markham, PC): Mr. Speaker, I am pleased to speak tonight to second reading of Bill C-393, an act to amend the Competition Act as it deals specifically with negative option billing.

First, I congratulate the member for Sarnia—Lambton for sponsoring the bill. Whether one agrees or disagrees with the member's views on matters as diverse as the Senate, child custody or other topics of debate tonight, in negative option billing one cannot help but admire his determination in pursuing these issues.

We need more members like the member for Sarnia—Lambton in the Liberal caucus. We need more members who challenge the status quo, defy the establishment when need be and stand up for the interests of their constituents.

As others have attested, Bill C-393 had a previous life in the 35th parliament. In that parliament, the member for Sarnia—Lambton introduced Bill C-216 which would have amended the Broadcasting Act. The legislation was sparked by public outrage at the cable companies imposing negative option billing through the addition of specialty channels at the beginning of 1995.

As such, Bill C-216 dealt solely with cable television. Despite opposition from many powerful interests, the member for Sarnia—Lambton persevered, managing to guide the bill through first and second reading as well as committee and report stage before it passed the House.

Unfortunately for the member's efforts Bill C-216 was still under review by the Senate when the prime minister called the 1997 federal election. Bill C-216 was effectively killed by the member's own government which was not under any pressure to go to the polls only 3.5 years into its first mandate.

There may be some, perhaps even the member himself, who would blame the Senate for the death of Bill C-216. This is a misguided view because the Senate was playing its constitutionally mandated role to review legislation from the House.

There have been too many occasions in the past several years when the Senate has undeniably improved legislation, correcting errors not addressed on the House side. The Liberal government's so-called Pearson airport legislation and more recent amendments to the Judges Act are but two recent examples. Until the Senate is either reformed or abolished, we should stop attacking its members for trying to the job to which they were named.

Bill C-216 is history. We are now debating Bill C-393. As previously mentioned, the bill would amend the Competition Act to ban negative option billing in a whole host of sectors: certain financial institutions, broadcasting undertakings, telecommunication firms and insurance companies.

In particular, Bill C-393 protects a basic consumer right, the right to express consent before purchasing a new product or service. What this means in plain language is that consumers cannot be billed for a product or service without their clear consent.

The member for Sarnia—Lambton and organizations such as the Consumers' Association of Canada make a compelling case against negative option marketing practices. I think many of us would agree that this type of marketing reverses the traditional buyer-seller relationship. With negative option billing customers are offered

new products or services and are required to opt out or expressly decline these new offerings to avoid being charged for them.

From a legal standpoint negative option billing relies on the concept of implied consent. By not responding to the solicitation the consumer is deemed to have given his or her consent. It is fair to say that negative option schemes rely on market inertia to sell new products or services to an existing client base.

It is therefore a justifiable claim that negative option billing further concentrates market share with the dominant industry players instead of fostering competition in an open marketplace.

(1840)

Bill C-393 applies to federally regulated businesses such as banks, cable and telephone companies. Under the law select financial, insurance and broadcasting companies would not be allowed to use a lack of consumer response to negative option billing inquiries as consent to buy.

The bill wisely allows provincial governments to prohibit negative option marketing within their jurisdictions. Provinces such as Quebec have already taken steps in this direction, a point that was highlighted by the Bloc in the last parliament and also tonight.

While provincial governments have progressed somewhat in addressing these dubious marketing efforts, there is a noticeable lack of such consumer protection at the federal level. Cable providers are still using negative option billing in regional markets despite previous assurances to the contrary.

Industry Canada's office of consumer affairs has warned that negative option marketing has the potential to be an important tool in the financial services sector. The department's August 1996 discussion paper on this subject stated:

Examples include the sending of unsolicited credit cards and changes in account structure made without consumers' consent. . . .The new technologies could allow industry to profit by slipping new charges and services past unsuspecting customers.

In 1997 the Toronto-Dominion Bank employed a negative option technique to deprive bank customers of their privacy. The National Bank reportedly used a similar scheme to sell travellers health insurance to existing customers by debiting their accounts for \$9.95 per month.

I am pleased that Bill C-393 recognizes that there are situations in which a consumer benefits from a negative option billing arrangement. However, for this to be the case, consumers must be able to make informed decisions and give express consent.

Bill C-393 proposes certain steps to be taken for a negative option scheme to be legal. The bill proposes fines for those who contravene the act. Bill C-393 has received the support of the

Consumers' Association of Canada, the Public Interest Advocacy Centre and the Insurance Brokers Association of Canada.

Although Bill C-393 is strong on consumer protection I would like to know the views of such organizations as the Canadian Chamber of Commerce, the Alliance of Manufacturers and Exporters Canada, the Canadian Federation of Independent Business and the Canadian Bankers Association, among others. We must always be prudent as parliamentarians not to impose an excessive amount of laws and regulations on the private sector.

We already have the sad example of the federal cost recovery program which was introduced by the Liberal government. While the move to user fees for the private sector was initially welcomed by businesses of all shapes and sizes, the government's chosen structure has proven to be ineffective, disparate, incompatible and costly. As a result this program cost the Canadian economy over \$1.3 billion from our GDP and 23,000 jobs.

Let us always be careful in bringing in government intervention no matter how well intentioned it seems at the time. Furthermore, I would like to know how the bill would impact upon the provision of French language broadcasting services.

The chairwoman of the CRTC, Françoise Bertrand, warned the Senate transportation and communications committee that Bill C-216 could result in a lack of marketing flexibility that would hurt the financial sustainability of French language services in Quebec and across the country.

I am sure that all members of the House, especially bilingualism's newest friends in the Reform Party, would want to ensure that Bill C-393 does not similarly threaten French language broadcasting.

On behalf of the Progressive Conservative Party of Canada I offer qualified support to Bill C-393 at second reading. The overall intent is extremely positive. The legislation would significantly increase the level of consumer protection. I urge all members of the House to put aside partisan interests and support moving the bill along to the industry committee where it would be given closer scrutiny on issues such as the one I have raised this evening.

Again I applaud the member for Sarnia—Lambton. We need more initiatives from Liberal caucus backbenchers.

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, I rise this evening to address the matter currently before the House. I would like to extend my sincere appreciation to the member for Sarnia—Lambton for his continuing work and long term interest with respect to this matter.

● (1845)

Bill C-393 embodies a very simple premise. That premise is that the consumer should have the right to say no. In short, only I have the right to accept goods and services and only I have the right to

share my personal information with others. No one else should presume to have that authority without my express permission. Negative option marketing endangers this. In plain language, self-protection is what we are debating here today.

It seems simple enough. If I wish to sell a person a product or a service I must first convince them that they require the item and then get their delivery approval and eventually their payment.

This simple formula has been the basis of our capitalist system for centuries. With this in mind it might surprise many of my constituents and indeed Canadians in general to discover that although this formula is used frequently, it is no longer used universally.

Before I continue it should be noted that first British and now Canadian common law in simple terms states that anything that is not specifically prohibited is permitted.

We need to clarify the current legislative regime with respect to this matter to account for this. Some of our provinces have already taken appropriate steps to rectify this.

I strongly feel that it is time for the federal government to standardize this protection right across Canada and Bill C-393 would do exactly that.

It is also a popular misconception that a signature is required to validate an agreement. This concept is brought into question when one applies the notion of the negative option billing or approval process.

We should all be familiar with the mail order tape and video clubs. One of my staff members is involved with one of the more popular Canadian compact disc clubs. He tells me that every month he is issued a card that names a specific music selection referred to by the club as the selection of the month. He is given approximately 20 days in which to respond to the mailing. Should he fail to reply, the item and the bill is shipped to him. In short, the said company considers his lack of response to be a purchase agreement.

At a glance this does not seem to be a bad arrangement. However, suppose the mailing was delivered to the wrong address or even lost. My employee would receive the compact disc and the invoice without ever having the option to refuse.

Another such example would be the cable TV package. As we will all remember, not too long ago some of the major cable providers utilized the negative option billing concept to sell unsuspecting viewers a new programming package. As I recall, public outcry was so substantial in this instance that the cable providers had to backtrack on this plan.

It has become clear that the public is demanding change. Again, I would suggest that this bill advocates that type of change.

The list of examples seems to go on endlessly. I was recently reading a publication released by the Toronto Dominion Bank entitled *Your Information and Your Privacy: See How TD Protects Your Privacy.* This document assured me as a consumer that the protection of my personal information was of paramount concern for the bank. The document even went so far as to say that the bank would never sell customer lists or my information to other groups or individuals. I cannot tell hon. members how pleased I was to read this. I cannot stress enough how upsetting it can be to discover that personal and confidential information had been released by an individual, group or institution that I trusted to sources that I would not have invested with that trust.

We can all name many examples of this type of information pillaging. Many Ontarians will remember how, in the not too distant past, the Ontario Ministry of Finance sold a list compiled from information contained on private tax rolls to outside interests. I remember the angry callers who approached both my constituency office and myself asking if I could do anything to help them. Today, by supporting this bill, I am attempting to ensure that this never happens again.

Getting back to the TD publication, after assuring me that the bank would not violate my trust, the document went on to say "For your convenience, if we do not hear from you by October 31, 1997, we will proceed with sharing your information within the TD group and may contact you occasionally with offers of products and services we believe will be of interest to you".

In essence, this brochure tells me that the bank will throw itself on the tracks to protect my confidence, but it also tells me that it intends to release my information to others for alternative marketing purposes. That is wrong.

I want to make it clear that I am not suggesting that consumers should not be given a full range of options. I simply believe that they should be required to provide express consent before incurring the expense or before the personal information is used for purposes other than the one that it was originally secured for.

I would respectfully encourage my colleagues to add their support for this bill to that of groups such as the Insurance Bureau of Canada, the Public Interest and Advocacy Centre and the Consumers Association of Canada. It is the right thing to do and as legislators the negative option is not available to us. No response when this vote is called will mean no sale for Bill C-393.

[Translation]

The Acting Speaker (Mr. McClelland): The time provided for the consideration of Private Members' Business has now expired and the order is dropped to the bottom of the order of precedence on the order paper.

ADJOURNMENT PROCEEDINGS

(1850)

[English]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

TRANSPORT

Mr. Gordon Earle (Halifax West, NDP): Mr. Speaker, I am pleased to rise on behalf of my constituents in Halifax West to raise with this government the issue of the future of the port of Halifax. In response to my question in the House of Commons on November 19, 1998, the Minister of Transport said "We are certainly open to suggestions". I do have a number of suggestions and a number of questions that I know many people in Halifax would want this government to answer.

Late last month the intergovernmental affairs minister claimed there would be federal cash available for Halifax if it won part of the super port pie. I am concerned about the impact on Halifax's ability to win part of the super port contracts if this federal government is unwilling to show to the industries concerned in more detail the depth of its commitment to this economic development opportunity for Halifax.

This could be a half billion dollar investment in the economic future of Halifax. Estimates suggest that already the port of Halifax supports 7,000 jobs directly and indirectly and generates almost a third of a billion dollars in economic activity annually.

Upgrading the port to handle post-Panamax super ships would do much to help with the economic development of the region. These super ships are too wide to navigate the Panama Canal. One encouraging fact is that Halifax has natural harbours deep enough to accommodate the 50-foot depth that the Maersk and Sealand container companies suggest is needed to handle their super ships. At 45 feet New York hits bedrock.

People in my riding have already raised the issue of the environmental impact of a super port. I want this government to be clear that it will support a complete, fair and thorough environmental impact assessment before it moves one teaspoon of earth should this project go forward. While I join others in looking forward to a major economic boost for the region, it must be done in such a way that protects long term environmental interests. The assessment must be fully open to public participation and the public must easily have all the relevant information available to it. No corner cutting can be allowed if we are to properly ensure that long term economic planning walks abreast of long term environmental planning.

Adjournment Debate

Mr. Stan Dromisky (Parliamentary Secretary to Minister of Transport, Lib.): Mr. Speaker, I am pleased to address some of the concerns that have been with raised with respect to the port advisory committee process in Halifax. These comments are directly related to the comments made by the member from the opposition.

The role of the port advisory committee was to develop a user nomination process in response to the requirement in the Canada Marine Act to consult with users on certain board appointments. This nomination process has been reflected in the letters patent. The purpose of this process was to solicit names for user representatives to Canada port authority boards and to forward nominations to the Minister of Transport for consideration.

Port advisory committee members will not be appointing directors to the Halifax port authority. The authority is an agent of the crown and the majority of directors are appointed by governor in council. In addition, the province and the municipality each appoint a board member.

To ensure the process was inclusive, port managers were asked to contact users and invite them to attend a nomination meeting. In addition, an advertisement was placed in the local newspaper advising of the port advisory committee nomination meeting.

With respect to the composition of the port advisory committee, a broad cross-section of port users was represented, including members of the Halifax Chamber of Commerce and the Halifax Shipping Association. The list provided by the port advisory committee was used by the minister in making his recommendations to the governor in council.

As with the provincial and municipal appointees to the Halifax port authority board, each user representative will serve the board with a view to the needs of the Halifax port authority as a whole. I am sure that at no time will these competent individuals lose sight of some of the concerns mentioned by the hon. member from the opposition.

• (1855)

[Translation]

EMPLOYMENT INSURANCE

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I wish to follow up on a question I asked on December 7, 1998. It was in relation to the fact that the United Nations committee had made it clear the Friday before that the Canadian government did not take good care of the disadvantaged members of its society, and recommended a reform of employment insurance.

At that time I asked the federal government to reform employment insurance. We are in March now and still waiting for the Minister of Human Resources Development to show us some light at the end of the tunnel.

One cannot be satisfied with the response I was given at the time by the Parliamentary Secretary to the Minister of Foreign Affairs, particularly when he spoke of relief for low income families, that is 400,000 taxpayers, when there are 800,000 people who do not qualify for employment insurance. He mentioned the youth employment strategy, but these are short term, not long term jobs.

Today, I asked the Minister of Human Resources Development what he intends to do about gappers, and the black hole. He answered this question by saying that only 2,000 workers were affected. Does the minister know what is going on in his department?

In my riding alone, there are 3,100 people who could be called gappers, not to mention those in the riding of my colleague, the hon. member for Beauséjour—Petitcodiac. Does the minister know what is going on? The only reason there are only 2,000 gappers left is that they are being eliminated.

Camille Thériault, the premier of New Brunswick, said that newcomers will not be eligible. This is what is happening in New Brunswick.

I am asking the Minister of Human Resources Development to look at this issue and wake up. There are people who are suffering. These are individuals who contributed to the employment insurance fund. The minister must realize that seasonal workers are suffering.

There is a problem in Atlantic Canada. There is a problem in Saskatchewan, with only 19% of the unemployed qualifying for employment insurance. There is a problem in Ontario, where only 23% qualify for employment insurance. How can the minister rise in this House and say such terrible things? Why is he not able to look after human resources and employment insurance issues, instead of trying to defend himself by saying "There is no problem. We are creating jobs. We are creating this. We are creating that".

He should come and see the hardship the Liberal Government of Canada has caused. Now, the provincial government is making matters worse.

I will end on that note. I hope the minister will wake up and take a serious look at this issue.

[English]

Ms. Bonnie Brown (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, the government understands that some families who are unemployed or living on EI live in difficult situations. We have tried to be sensitive to their circumstances. That is why for example we introduced the family income supplement which tops up the EI benefits of about 220,000 low income claimants with children, two-thirds of whom are women.

I must ask the member opposite to recognize that the overall objective of the EI program is more than just giving the unemployed EI benefits for as long as possible. Instead, it means ensuring that people can have the skills and opportunity to work and can feed their own families. Merely giving people income support and keeping them on the economic sidelines year after year will not improve their lives or enable them to benefit from new opportunities in our economy.

We are trying to help those people get the skills needed to earn a full income because we believe this is the truly compassionate thing to do.

While EI is an essential part of our social safety net, it is not the only solution. Our net is strong and fair because different programs exist to meet different needs.

● (1900)

EI is supported by a number of other programs to help unemployed Canadians get a job. For example, there is the \$7 billion the government puts in for low income families through the Canadian child tax benefit. For youth we invest \$155 million every year to help young Canadians get on the job experience. For people with disabilities we invest, along with the provinces, \$430 million to help them find and keep a job. For those trying to adjust to the new working conditions of the new economy we have set aside \$2.1 billion for active measures.

This is how we are showing compassion, by ensuring a comprehensive set of measures exists to meet different needs. The fact that unemployment is at its lowest level in over eight years tells us that our approach is working and we hope the trend will continue.

HEALTH

Mr. Rick Laliberte (Churchill River, NDP): Mr. Speaker, on November 5, I asked the health minister a question relating to MMT and Ethyl Corporation.

I asked the minister a specific question on when a comprehensive study would begin to determine the health effects on Canadian children. He responded: "As more is known about the health effects of MMT, government policy will reflect those research results". Four months have passed and the health minister has not announced any effort to determine the possible health effects MMT poses on Canadian children.

In November I was honoured to host a parliamentary breakfast sponsored by the Council of Canadians and the Sierra Club of Canada. Members from all political parties attended this important event. The guest speakers were Dr. Donna Mergler, a nervous system disorder specialist at the University of Quebec in Montreal,

and Dr. Herbert Needleman, professor of child psychiatry and pediatrics at the University of Pittsburgh's school of medicine.

Dr. Mergler is an expert on the effects of manganese on the human population. Dr. Needleman is recognized internationally as a key figure behind the removal of lead from gasoline in the 1970s to protect the world's children.

These distinguished speakers drew upon their respective histories and expertise to call on this country to act with precaution and to conduct intensive studies in relation to MMT fuel additives. They outlined the potential similarities of lead's adverse health effects on humans that MMT may pose. They urged Canada's leaders not to repeat the mistakes that the repeated delays with lead fuel additives created. Millions of children were unnecessarily exposed and suffered a variety of neurological and physical effects.

The health minister has demonstrated this government's refusal to act proactively or to in any way show leadership, political will or vision. When the need to protect Canada's children requires a precautionary approach this government disappears. For example, the issue of metals and chemicals in children's toys was ignored for a year by the minister until independent lab tests proved the danger and the government was forced to act.

The government has also resumed toxic PCB shipments to Swan Hills contrary to a company official confirming that there will always be fugitive emissions, dioxins and furans spewing throughout the countryside.

The government continues to ignore reality. Sick children are not relocated from beside this country's infamous toxic waste site, the coke ovens and Sydney tar ponds. At a time when the government tells the Canadian public that precautionary principle is policy, we know by its inaction and delay that this is not correct.

Several weeks ago the EPA in the United States initiated a new series of studies into MMT. The majority of European countries and the United States do not use this product. We are guinea pigs for a corporation and a government that have lost direction in the face of trade and profit.

After four months of further government delay to protect Canadian children, what studies have been reviewed by Health Canada, if any? Has the health minister drawn any conclusions from the recent reports from Denmark on the potential health effects to workers from manganese operations? Has the minister looked at the study from British Columbia that may show a marked increase in manganese concentrations in soil collected along thoroughfares since MMT became a fuel additive replacement for lead?

Did the minister bother to read the peer review in the infamous Toronto study relating to MMT that raised serious questions about the report's validity? Will the minister or any other minister in the government today take precautions on MMT for the sake of Canada's children? The government's track record states no.

• (1905)

Ms. Elinor Caplan (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, I start by stating very clearly that the health of Canadians, particularly the health of Canadian children, is a priority for Health Canada.

The government's decision to delist MMT was in response to a ruling by a panel established under the agreement on internal trade. In acting on the panel's recommendations the government also moved to resolve Ethyl's NAFTA claim.

Health Canada conducted a thorough review of the health effects of manganese that could be attributed to the use of the gasoline additive MMT and published those findings in December 1994. The review considered all age groups, including children and the elderly, and concluded that the vast majority of Canadians are exposed to levels of manganese that are well below a level of concern as determined by Health Canada and the World Health Organization. I remind the member that the report is an assessment of the health impact of MMT and not an endorsement of its use.

In developing the conclusions reached in the report, Health Canada reviewed the science contained in over 200 published research papers. Departmental scientists were satisfied that the database was sufficient to achieve and reach valid conclusions on the subject of MMT. As with all scientific issues, gaps exist in our knowledge.

The department is also aware of other studies being planned or already in progress which might provide new information on this subject. We are aware of the studies and of the learned scientists the member referred to in his opening remarks.

I assure the member and all those watching this interesting debate that Health Canada will continue to examine all available studies as an ongoing effort to reassess the 1994 risk assessment. We believe that is appropriate. I assure the House that any health developments will be reflected in the government's policy toward fuel additives.

As I said at the beginning of my remarks, the health and safety of Canadians are always a priority with Health Canada.

[Translation]

EMPLOYMENT INSURANCE

Ms. Angela Vautour (Beauséjour—Petitcodiac, NDP): Mr. Speaker, on March 2, I put a question in the House to the Minister of Human Resources Development on employment insurance.

I pointed out to him that his government had given responsibility for the programs to the province, but without attaching conditions when it transferred the money, which resulted in a great muddle.

Based on the response my colleague from Acadie—Bathurst was given earlier, it is clear that the government understands nothing at all. They might understand something if they came to New Brunswick to see the situation, but we know the minister is afraid of coming. We might ask why he is afraid. He says there are only 2,000 gappers.

I think we ought to define the word "gapper". Gappers are people whose EI benefits are cut before they start working again. The unfortunate part is that, when the minister called his officials today, they forgot to tell him what a gapper was. I am explaining it to him, and I hope his parliamentary secretary will pass on the definition of gapper, because we have a serious problem.

He said there are 2,000 gappers in the province. I know that in the Moncton and Beauséjour—Petitcodiac ridings there are 12,000, or 11,954 to be exact.

I got these figures from department officials. These are not statistics, they are active files. They do not include maternity leave or sick leave. They are applications for benefits, active applications from people who will run out of benefits before their job starts. It is not hard to understand. There are not just 2,000 in New Brunswick. The minister has to come and see. We know he is afraid.

Today, I presented two petitions. There were 2,700 names of people from my riding, people who are concerned about cuts to employment insurance, people from rural regions that have been included in urban areas. Still the minister refuses to make changes.

In the department, they talk about investment in the regions. They neglected to say how much they had taken out of our regions following the cuts to the employment insurance program. New Brunswick loses \$275 million a year. My riding is out \$35.8 million a year, and they would have us believe no one is going hungry.

Two weeks ago, I visited a number of food banks. Demand was up sharply in seven out of eight. And what was the major reason for this increase? EI cuts. So, when the minister says there are 2,000 gappers, the other 10,000, or 15,000, or 16,000, or 20,000 are getting their meals from food banks.

• (1910)

I also learned from my visits that, when people turn to the welfare department of Camille Thériault's government for financial assistance, they are given a chit for the food bank. It is truly disgraceful that a provincial government treats people this way.

The federal government is taking these people's last penny away, then the provincial government does the same thing. Both are Liberal governments; one would sometimes think they were in cahoots. Camille says not to worry, that these people should be sent his way because food bank workers are very generous nowadays.

We must congratulate the volunteers and all the families that give food to food banks because, without their support, many people would suffer from hunger, since neither the province nor the federal government is looking after them.

The government says that many women are covered. The fact is they contribute, but they do not qualify for benefits. I am not making that up, I can see what is going on. Women hold part time jobs. Therefore, how can they work the 910 hours required? The minister must come to see the reality in New Brunswick, because he will never understand what is going on until he comes and sees it for himself.

[English]

Ms. Bonnie Brown (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, the Government of Canada is sensitive to the needs of seasonal workers. Their needs are one of the reasons we changed the employment insurance system to an hours based system in the first place. Today seasonal workers can benefit from having all their long hours of work count under employment insurance.

Another reason we implemented reforms to the EI act was to reduce dependency on EI as a regular income support program and instead give people the tools they need to get back to work. That is why we invested \$2.1 billion in active employment measures to help people find jobs.

Now that the labour market development agreement with New Brunswick has been signed, we are providing that province with almost \$240 million over three years to help people get back to work. The province is now responsible for the delivery of these programs.

Last year the Department of Human Resources Development made available up to \$5 million in transitional assistance to the New Brunswick government to help workers affected by the gap, the so-called gappers of whom the member speaks. In addition, the Government of New Brunswick has announced its own \$5 million seasonal workers adjustment initiative.

In 1994 about 7,500 seasonal workers were affected by the gap. Since then this number has been on the decline. Based on the number of participants in the program last year, it is estimated that about 2,000 people were affected by the gap in New Brunswick.

I can understand why the member opposite is disputing this figure because according to her definition a gapper is a person who does not get EI before his or her job starts. I assure the House that no Canadian gets EI before his or her job starts. They get EI when their job ends.

Our general strategy seems to be working because over 35,000 New Brunswickers have been added to the labour force since October 1993. We feel this is a fact to be celebrated.

[Translation]

The Acting Speaker (Mr. McClelland): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.13 p.m.)

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