



CANADA

House of Commons Debates

VOLUME 136 • NUMBER 085 • 2nd SESSION • 36th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Thursday, April 13, 2000

Speaker: The Honourable Gilbert Parent

CONTENTS

(Table of Contents appears at back of this issue.)

All parliamentary publications are available on the
“Parliamentary Internet Parlementaire” at the following address:

<http://www.parl.gc.ca>

HOUSE OF COMMONS

Thursday, April 13, 2000

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1000)

[*English*]

HUMAN RESOURCES DEVELOPMENT

Mr. Joe McGuire (Parliamentary Secretary to Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, pursuant to Standing Order 109, I have the honour to table in both official languages the government's response to the first report of the Standing Committee on Public Accounts on the Human Resources Development Canada accountability for shared social programs.

Mrs. Marlene Jennings: Mr. Speaker, I rise on a point of order. As the House is well aware, on December 1, 1999 I tabled private member's Bill C-388, an act to prohibit the use of chemical pesticides for non-essential purposes. It was seconded by the hon. member for Leeds—Grenville. The House adopted it at first reading. This bill would amend the Pest Control Products Act as of April 22 which is recognized as Earth Day.

I am requesting the consent of the House of Commons to deem Bill C-388 votable, to deem it adopted at second reading and to refer it to the Standing Committee on Health.

The Acting Speaker (Mr. McClelland): Does the hon. member for Notre-Dame-de-Grâce—Lachine have the unanimous consent of the House to put the motion?

Some hon. members: Agreed.

Some hon. members: No.

ABORIGINAL AFFAIRS

Mr. David Iftody (Parliamentary Secretary to Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, under the provisions of Standing Order 32(2), I have the honour to table, in both official languages, copies of the 1997-98 annual review of the implementation of the Inuvialuit Final Agreement and copies of the 1998-99 annual report of the Indian Claims Commission.

* * *

• (1005)

GOVERNMENT RESPONSE TO PETITIONS

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to the standing orders I have the honour to table, in both official languages, the government's response to 52 petitions.

* * *

INTERPARLIAMENTARY DELEGATIONS

Mr. George Proud (Hillsborough, Lib.): Mr. Speaker, pursuant to Standing Order 34(1) I have the honour to present to the House, in both official languages, the fifth report of the Canadian NATO Parliamentary Association which represented Canada at the meeting of the economic committee and the political committee held in Brussels and Paris, February 20 to 23, 2000.

* * *

COMMITTEES OF THE HOUSE

HUMAN RESOURCES DEVELOPMENT AND THE STATUS OF PERSONS WITH DISABILITIES

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the second report, "Ensuring Accountability: An Interim Report on the 1999 Internal Audit Report on Human Resources Development Canada Grants and Contributions". I would like to point out that this is an interim report. It is the result of many weeks of hard and serious work by members from all parties on the committee. The standing committee will be presenting its final report by June 1.

Mr. Maurice Vellacott (Wanuskewin, Canadian Alliance): Mr. Speaker, in view of the gravity and the serious situation with

Routine Proceedings

HRDC, the opposition parties together felt there was no way we could accept that report. We are tabling a dissenting report unanimously. It is rather mind-boggling some of the things that were alleged to have happened, such as the misappropriation of funds, multiple criminal investigations, grants being approved after payments made, withholding of information, allegations of falsification of documents, and so on.

We felt that the majority report was simply glossing it over and not taking the situation seriously. As a result we want to get to the bottom of it for the good of the Canadian public and the better use of tax dollars. We oppose the report and we are tabling a dissenting report.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, in connection with this report, I would like to point out that—

[*English*]

The Acting Speaker (Mr. McClelland): In my opinion the opposition is able to present a dissenting report. We will need unanimous consent for any of the other opposition parties. Is there unanimous consent for the hon. member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques to present a dissenting report?

Some hon. members: Agreed.

[*Translation*]

Mr. Paul Crête: I thank hon. members for their support.

The important point is that the dissenting report is a unanimous report by all opposition parties, who noted that the parliamentary majority in the committee was following the government party line, that is downplaying the HRDC scandal.

Our report points out that action must be taken urgently, that it is urgent for the past situation to be remedied, not just to have a six point plan for the future. In this connection, the interim report will have to influence what is done in future in committee.

* * *

[*English*]

STATUTORY PROGRAM EVALUATION ACT

Mr. John Williams (St. Albert, Canadian Alliance) moved for leave to introduce Bill C-477, an act to provide for evaluations of statutory programs.

He said: Mr. Speaker, I am pleased to table this private member's bill which I think can provide a great benefit to Canadians and the Government of Canada. Basically it asks that all programs provided by the government and all services the government provides through its programs be evaluated on a periodic cyclical basis by asking four fundamental questions.

• (1010)

The first question would be what is the public policy the program is designed to address? Once that is known, the second question can be asked, how well are we achieving what we intend to achieve? The third question would be is it being done efficiently? The fourth question would be, can the same results be achieved in a better and more efficient way? The bill says all programs should be evaluated on a cyclical basis by asking those four fundamental questions.

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

* * *

PETITIONS

CHILD PORNOGRAPHY

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I rise to present a petition from Canadians who are horrified by pornography which depicts children. They are astounded by legal determinations that possession of such pornography is not criminal. They suggest that it is the duty of parliament through the enactment and enforcement of the criminal code to protect the most vulnerable members of our society.

The petitioners call upon parliament to take all measures necessary to ensure that possession of child pornography remains a serious criminal offence and that federal police forces be directed to give priority to enforcing that law.

IRAQ

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I have a petition from citizens of the Peterborough area who are concerned about the sanctions against Iraq. They urge that we do all we can to stop the suffering and death among the Iraqi people, particularly the suffering and death of children and that, excluding an embargo on military materiel, all sanctions be lifted. They urge that Canada and the United Nations vastly increase efforts to provide food, medicine and funds to the people of Iraq.

IMMIGRATION

Mr. Dennis Gruending (Saskatoon—Rosetown—Biggar, NDP): Mr. Speaker, pursuant to Standing Order 36 I have a petition signed by approximately 750 people in the Saskatoon area. It relates to two families, the Irimie and Kutas families who suffered persecution in their country of origin and who fear that will happen to them again if they return home. They have exhausted all appeals and ask the minister and the House of Commons to please allow them to stay in Canada. Many people in Saskatoon have written to say that these people are model citizens and ask parliament that they be allowed to stay in Canada.

[*Translation*]

ENVIRONMENT

Mr. Raymond Lavigne (Verdun—Saint-Henri, Lib.): Mr. Speaker, I have the honour to table, in both official languages, a

petition signed by a number of my constituents. The petitioners call upon the government to make it illegal for any company operating passenger trains to dump waste water along the tracks in our country. This practice constitutes a health risk to the population as well as an environmental mess. I therefore support this petition wholeheartedly.

[English]

BILL C-23

Mr. Howard Hilstrom (Selkirk—Interlake, Canadian Alliance): Mr. Speaker, I have a petition from residents of Manitoba in regard to the same sex benefits bill. The petitioners say that this is an inappropriate intrusion and it is discriminatory for the federal government to extend benefits based on a person's private sexual activity. They would not like to see the bill pass through the houses of parliament.

MAMMOGRAPHY

Mr. Joe McGuire (Egmont, Lib.): Mr. Speaker, pursuant to Standing Order 36 many petitioners from the province of Ontario state that since Canada has the second highest incidence rate of breast cancer in the world, they call upon parliament to enact legislation to establish an independent governing body to develop, implement and enforce uniform mandatory mammography quality assurance and quality control standards in Canada.

BILL C-23

Mr. Maurice Vellacott (Wanuskewin, Canadian Alliance): Mr. Speaker, I have just short of 1,000 names on a petition. These individuals draw attention to the significant empirical evidence for the value of marriage as the cornerstone of public policy producing real, tangible public policy benefits. They ask for the withdrawal of Bill C-23 which has extended marriage-like benefits to same sex couples. They ask that parliament, and it would be the upper house at this point, withdraw Bill C-23 and instead affirm the opposite sex definition of marriage in legislation and ensure that marriage is recognized as a unique institution and the cornerstone of public policy.

• (1015)

Mr. David Iftody (Provencher, Lib.): Mr. Speaker, I have three petitions to present this morning. The first petition concerns Bill C-23.

The petitioners draw the attention of the House to a motion passed on June 8, 1999 reaffirming the House's position that marriage is the exclusive domain of a male and a female.

They also draw the attention of the House to the introduction of Bill C-23, and the fact that there was not a free vote. They ask, pray and petition the House and the Chair that Bill C-23 hereby be withdrawn.

Government Orders

CHILD POVERTY

Mr. David Iftody (Provencher, Lib.): Mr. Speaker, the next two petitions I have address the same topic.

On November 24, 1989 the House of Commons unanimously resolved to end child poverty in Canada by the year 2000. Since 1989 the number of poor children in Canada has increased by 60%.

Therefore, these many petitioners call upon parliament to use the federal budget 2000 to introduce a multi-year plan to improve the well-being of Canada's children.

[Translation]

CHILD PORNOGRAPHY

Mr. Benoît Sauvageau (Repentigny, BQ): Mr. Speaker, I have here a petition signed by a number of people in my riding. The petitioners call upon Parliament to take all steps necessary to guarantee that the possession of child pornography remains a serious criminal offence, and that federal law enforcement authorities are ordered to give priority to enforcing this provision, for the protection of our children.

I wish to table this petition on their behalf.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Acting Speaker (Mr. McClelland): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

BUDGET IMPLEMENTATION ACT, 2000

The House resumed from April 12 consideration of the motion that Bill C-32, an act to implement certain provisions of the budget tabled in parliament on February 28, be read the second time and referred to a committee.

Mr. Jim Jones (Markham, PC): Mr. Speaker, I will be sharing my time with the hon. member for New Brunswick Southwest.

It is with great pleasure that I rise today to speak on Bill C-32, an act to implement certain provisions of the budget tabled in parliament on February 28.

The bill deals with important measures, such as increasing the Canada health and social transfers, reinstating full indexation of

Government Orders

the personal tax system, increasing the Canada child tax benefit amounts, increasing the foreign content amount for RRSPs and amending the Employment Insurance Act, among other things.

Today our high corporate and personal tax rates create a competitive disadvantage between Canada and our trading partners in today's global economy. It is clear that competitive tax rates are essential. Meaningful tax reductions combined with tax reform will increase both economic growth and opportunities for all Canadians.

The current Prime Minister has suggested that young Canadians should leave the country if they are unhappy with Canada's taxes. This kind of thinking reflects a sixties or seventies view of the world. This option, unfortunately, is becoming increasingly appealing to many young Canadians, particularly those in the high tech sector.

When Canada loses its best and its brightest young people, it loses both the capital and the talent essential to generate a higher level of productivity and innovation. The Conference Board of Canada states that the number of skilled Canadians moving to the U.S. has increased from 17,000 in 1986 to 98,000 in 1997. This is a staggering sixfold increase in just 10 years.

In the last five years there have been 50 different tax increases. Canadians now pay on average about 47% of their income in taxes. Government revenue has increased by \$40 billion since 1993, including a hike of \$24 billion in personal income tax revenue.

The 2000 budget was the tax cutting budget. Before this budget, Canada had the highest personal income tax in the G-7 and the second highest corporate tax in the OECD. Surprise, surprise, after these measures were implemented, due to more innovative and aggressive tax cutting strategies by other countries, we will still have one of the highest tax burdens in the industrialized world, yet the government claims that it has put Canada on the right track for the 21st century.

• (1020)

The government continues to look inward when it should be looking outward. Our trading partners have pursued policies of lower taxes, less regulation and lower debt and their levels of growth have been striking. For example, Ireland's real GDP per capita growth has been 92% from 1988 to 1999. GDP per capita increased 18% in the U.S. during the same period and in the U.K. and Germany by 14%. In Canada our GDP per capita growth was only 5% during this time.

Furthermore, since 1990 American net disposable income per capita has climbed over 10%, while Canadian real disposable income has fallen by 8%.

The fact is that the government has had at least \$115 billion available to provide all Canadians with broad based, meaningful

tax relief. The finance minister pretends to be listening to the call for tax relief and for meaningful action on the health care front but he is not listening hard enough. The 2000 budget falls short of its potential.

The case for deep and immediate tax cuts is real. Canadians now pay about 47% of what they earn in taxes to all three levels of government.

The PC Party of Canada firmly believes that Canadians have suffered long enough. They should not have to wait until after the next election for tax relief that falls far short of what could have been delivered. The government has a surplus because taxes are too high. That surplus ought to be returned to the Canadian taxpayers.

Increasing the basic personal income amount by only \$100 this year, as the government has proposed, works out to be about 33 cents a week, or only \$17 a year.

The finance minister's poor plan means that lower income Canadians will still pay taxes on earnings as little as \$8,200. When we add on provincial taxes and payroll taxes, governments are taking away as much as 30 cents on the dollar from people with virtually no income.

What the government fails to mention is that since 1993, due to bracket creep, the government has actually dragged 1.4 million low income Canadians under the tax roll for the first time.

The PC Party would raise the basic personal amount from its current level of \$7,131 to \$12,000. Increasing the personal amount to \$12,000 would remove 2.5 million Canadians from the tax rolls and could save an individual taxpayer up to \$1,200 annually. This tax cutting measure would benefit all Canadians but particularly those in the low and middle income classes. I feel it is indefensible that right now in Canada someone making as little as \$7,131 is paying income tax.

The greatest single disappointment in the bill is its failure to address the real needs of Canada health care. At one time the federal government shared the cost of health care 50:50 with the provinces. In recent years that share has been reduced so that now only 13 cents of every dollar spent on health care in Canada comes from the federal government. Meanwhile, inflation, population growth and the aging population are increasing health care costs.

Brian Tobin, premier of Newfoundland, has said that the government missed the boat by not reinvesting in health care. The Canadian Health Care Association has said that the budget does not recognize the severity of the current health care crisis in Canada. They are right. However, the government has again refused to restore cash payments under the Canada health and social transfers to 1993 levels. A one time payment out of lapsing year funds of \$2.5 billion does not provide the kind of long term stability that our health care system needs. It is essential that the CHST funding be restored to the 1993-94 levels.

Government Orders

The government has no long term plan to save health care. Instead, it has chosen simply to put a band-aid over an arterial wound. Further, there is no serious intent on the part of the federal government to sit down with the provinces and at least attempt to fix the problem.

Bill C-32 amends the Employment Insurance Act and the Canadian Labour Code to double the duration of maternity and parental leave to one year. However, the government has continued to refuse to reduce the ridiculously high EI premiums. This year the government expects to collect over \$18 billion in EI premiums but only pay out \$12 billion in benefits. That is a surplus of \$6 billion.

• (1025)

The Progressive Conservative Party of Canada proposes that EI premiums be reduced immediately to \$2 per \$100 of insurable earnings from the current level of \$2.40.

EI premiums are a regressive tax on the poorest of Canadians. Somebody making \$39,000 per year in Canada pays the same amount in EI premiums as somebody making \$300,000 per year. It does not seem like a fair system.

The federal government is making it harder and harder to qualify for benefits. Currently only 30% of applicants who pay into the system actually qualify for assistance when they need it. Changes are needed to the EI system so that people can make proper use of what the system was designed for: help those who paid into it. It is not to be used as a fund to pad government books.

The tax grab from the EI fund of \$19 billion that the government has taken from workers and employers is disgraceful and shows the true intentions of government.

The current arbitrary 20% limit for foreign content penalizes investors when returns from foreign investments are higher than returns on investments made in Canada. Bill C-32 increases the current limit of 20% to 25% for the year 2000 and to 30% in the following year. The PC party proposes that we increase this to 50% over the next two years.

The 1998 budget was called the education budget and the following year 12,000 graduates in Canada were forced to declare bankruptcy. The 1999 budget was called the health care budget, but over the last year hospital waiting lists have grown longer and the crisis in health care has become even bigger.

The 2000 budget has been dubbed the tax cutting budget, yet after these measures in Bill C-32 are implemented, we will still have the highest personal taxes in the G-7 and the second highest corporate taxes in the OECD.

There are certain measures within Bill C-32 that the Progressive Conservative Party support, such as the restoration of full indexa-

tion to the personal tax system. However, with the majority of the other initiatives, it is yet another case of the government lacking vision and taking baby steps forward.

We could have lower taxes and better spending on health care and social programs if the government had the courage to ensure that Canadian taxpayer money would be invested carefully instead of wasted rampantly.

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, before I get into my half of the speech, I have a question for my colleague from Ontario. I want to ask him what effect these draconian cuts in health care have had on his home province of Ontario.

I know the health minister, who is with us this morning, will probably want to hear the answer to that as well being a native of Ontario. Would the member to go through some of the difficulties the Harris government has had in dealing with these cutbacks?

This morning we heard the health minister from Ontario basically admit—and I guess that honesty is refreshing—that the goal in terms of the waiting list for cancer patients will not be as radically diminished as she thought.

As health care critic, I want to hear some reflections from my colleague on what he perceives as the biggest single problem in Ontario with regard to health care.

Mr. Jim Jones: Mr. Speaker, as we are all aware, since 1993 the federal Liberal government has cut billions of dollars from the health care system. What we are seeing now is a struggle of not only my province but other provinces as they try to address this situation.

In the long term, if this is a priority, the government will have to restore investments to the 1993-94 level. The population is aging in all areas of the country and this issue has to be addressed. There are long waiting lists. Cancer patients are going to the U.S. for treatment. If the federal government is going to be a partner in health care it also has to come to the table with cash dollars.

• (1030)

Mr. Garry Breitkreuz (Yorkton—Melville, Canadian Alliance): Mr. Speaker, I have listened to the comments of the hon. member. We in the Canadian Alliance Party have proposed some solutions to the present unfair taxation system. One of those solutions, solution 17, moves towards a single tax. Included in that is a move toward equality for spouses with regard to the deduction they are allowed.

We are proposing a \$10,000 deduction for either spouse. It does not matter who is earning the income. We are also proposing a \$3,000 deduction for each child. I wonder if the hon. member has some reaction to that.

Government Orders

We feel that it would support the family and children. It would not reduce the incentive for one of the parents to stay at home if he or she so chooses. What reaction would the member have to the proposal of moving to a single tax, increasing the deductible to \$10,000 for both husband and wife and increasing the child care deduction to \$3,000?

Mr. Jim Jones: Mr. Speaker, I do not have any problem with increasing the deductions for spouses so that they are equal. The family is the future of Canada. It should be encouraged to raise kids and perhaps parents should stay at home. I think that is fair and equitable. I am not sure if the increase in the child tax is the right amount, but I think it is heading in the right direction.

With regard to the flat tax, I agree that taxes are too high. If we are to be a player in the global economy we have to acknowledge that our neighbour to the south, the United States, has a tax regime considerably different from ours. Its system is based on entrepreneurship, innovation and encouraging people to do what they can do. Somehow the tax system has to get flatter. I am not sure flat tax is 100% correct but definitely tax rates have to come down at all levels.

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, it is a pleasure to take part in this very important debate on the budget. I echo the words of my colleague from Markham. We can take lessons from the past in terms of what the Liberal government has done. The member made reference to the education budget of couple of years ago. Promptly after the announcement of that budget over 12,000 young Canadians declared bankruptcy. I believe this is considered the budget of tax reduction, so we can expect the same in terms of taxpayers filing bankruptcy if its record is consistent with the past.

In the debate on the finances of the nation we have to move beyond some of what we said in the House in the past. I would like to go back a bit in history and talk about a budget introduced in this place in 1979 which spelled the defeat of the Conservative Party under the leadership of Joe Clark at that time.

Mr. Clark has been unfairly criticized as not being fiscally conservative. The record back in 1979 will show that. It is probably too long for some members of the House to remember. It was the first Conservative budget to be introduced in this place following World War II. The budget at that time, just to remind Canadians, was considered an 18 cent per gallon budget. The finance minister at that time, Mr. Crosbie, made a commitment that gasoline would be taxed at 18 cents a gallon and that the 18 cents were to be used to reduce the deficit and in the long term eliminate our debt. We would have been free of debt within a period of four to five years.

• (1035)

What happened to that budget? History tells us that it was defeated on the floor of the House of Commons and was never

enacted. Since then our level of debt reached the point of strangulation. We have basically killed ourselves with the debt load.

I remind the House that there is no sense in pointing fingers back and forth because we are all responsible. Every government in the western world following World War II went on the bent of deficit financing, assuming we would grow out of it and as the economy grew we would pay down the debt. That did not happen.

In Canada we predicated the elimination of the debt on world oil prices. The prime minister who succeeded Joe Clark and was prime minister for 17 years, Mr. Trudeau, admitted that he had made a mistake. We had predicated our finances based on oil prices rising to something in the vicinity of \$65 a barrel and thought that would lead us out of the debt problem, simply because of the revenues the federal government at that time would bring in from oil production from western Canada. That was basically an insult to western Canadians as well. That did not happen.

In the meantime our debt level has reached proportions that made it very difficult for every government to deal with. I remind the House that we missed the opportunity almost 20 years ago to deal with it. In fact, it was 20 years ago because in February 1980 when Mr. Clark was campaigning on an 18 cent a gallon tax, he was roundly defeated by the government that then went on a spending spree for the next five years.

When we finally regained office in 1984, the Liberal government bragged that it left the cupboard bare. There was no money to spend. Therefore we could not do what Canadian people wanted us to do. They had been conditioned to seeing the government spend its way into prosperity. That is self-defeating. It is like an individual who takes his credit card out of his pocket every time he wants to make a purchase, assuming at the end of the day that the bills do not have to be paid. We know they have to be paid.

The net result is that today we are strangled with a net debt of approximately \$600 billion. I remind members of the interest on that. Without going through detailed charts and analyses, the calculation is very fundamental. If we take \$600 billion at an average rate of 8% on the bonds holding that debt, it is costing the Canadian taxpayer somewhere between \$40 billion and \$50 billion in interest charges per year. Again this is arithmetic that a grade school student could understand. It is approximately \$1 billion per week in interest payments for the Government of Canada. What could we do with \$1 billion a week if we were debt free as a nation? In about a month's time we would cure our health care ills from coast to coast.

The member next to me from Markham who has a great deal of authority on what works and does not work in the economy is on the right path. He has been saying, as has our leader, that reduction in taxes is the key. We have to get the economy moving. We have to take off the restraints in the tax system that are holding back economic development vis-à-vis our neighbours, particularly the United States.

Government Orders

Today money has no boundaries. One can move money around in the blink of an eye. Money will seek the jurisdictions where it can do the best, work the hardest and the most efficiently. It cannot do it in a country being strangled with taxation.

The government in the last seven years has missed a golden opportunity. It brags about what it has done in the last seven years. Indeed there is some room for boasting. We have to give it credit for some of what it has done, but it could have done more. It did not have to do it at the expense of the provinces. The easy way out for the federal government, which we can see in this budget as well, was simply to download on the backs of the provinces.

• (1040)

It has not yet figured out that there is only one taxpayer. He is the same person, municipally speaking, provincially speaking and federally speaking. We all pay those taxes, so when it downloads on the provinces it has not accomplished anything. It has simply hidden under its own mistakes. That is what the federal government has done, and it has done it effectively.

Let us go through some of the reasons the government has achieved something in the last number of years. Let us look at some of its successes. Let us look at the deficit and why it was reduced. Three letters will explain it, GST. Suddenly, after seven years, it is admitting for the first time that it cannot eliminate the GST. Why? Because it is bringing in approximately \$25 billion a year in revenue, almost the exact figure in terms of its surplus.

In other words, if the government eliminated the \$25 billion-plus a year from the GST, we would be back into a debt position. Because of the initiatives the Conservatives took on free trade, deregulation and privatization, the government has a little bit of bragging room. It is not because of initiatives it took but hard decisions that we took when we were on that side of the House.

Before I conclude, I simply remind the Canadian people that the government did not invent debt reduction. It did not invent free trade. It did not invent the GST. It conveniently railed against those issues when political opportunity dictated that it was a wise thing to do.

Never once between 1988 and 1993 did the finance minister, who does a lot of boasting, stand in the House to vote for anything that meant a reduction in taxes or a reduction in the size of the growth of government.

Why this magic transformation after 1993? It was because reality set in. After 10 years of education between the seventies and the eighties the Canadian people suddenly realized, as Mr. Clark did in 1979 when he took office, that the debt problem was a real problem that would not go away, unless we want the IMF coming in here, knocking on our doors and running the country as it did in

other jurisdictions such as Argentina. The government had no choice. It had to act and it did act. The question is how did it do it. It did not do it with any pain to itself. It downloaded on the provinces.

I look forward to continuing this debate. Hopefully I will have a chance to respond to some questions and comments from members on both sides of the House.

Mr. Howard Hilstrom (Selkirk—Interlake, Canadian Alliance): Mr. Speaker, the hon. member from the Progressive Conservative Party was wondering if any of us were old enough to remember back to 1979. I certainly assure the House that I am old enough to remember. I remember the years of Brian Mulroney and Joe Clark handling the finances of the nation and driving us deeply, by hundreds of billions of dollars, into debt through their fiscal management.

The debate today deals with the budget and budgetary matters. Certainly modernizing the tax regime is an essential element in Canada today so that we can be prepared for the future.

One area is the medical provisions of the Income Tax Act. I have a little story to tell about the Boonstra family in my riding who has a two year old child with a serious case of diabetes which requires four injections every day. This is putting mammoth costs on the Boonstras but they do not qualify under the income tax provisions for a disabled child.

What would the member think if there could be some changes to the provisions of the Income Tax Act to broaden the definition of disability to include people like this two year old child in Manitoba?

• (1045)

Mr. Greg Thompson: Mr. Speaker, the second part of the member's question is an important one and should be addressed in the House, especially by the government.

The government I sat with in the 1980s, the Mulroney years, ran on a day to day basis a balance sheet, and that is factual. What strangled that government was that it did not lay a nickel on the debt. It was the compound interest on the debt that strangled the government.

I know in western Canada it has ridden the hobby horse for the last 10 years, but that hobby horse's legs are just about ready to collapse. History will record that it was the compounded interest on the debt. That is why I used the analogy of the individual and his or her credit. When it reaches a point where the compound interest cannot be paid on the debt, we are in trouble. That is the position the Government of Canada was in in the 1980s right into the 1990s. We are barely getting out of that. There is more the government can do in terms of tax relief to grow the economy.

Government Orders

The member is absolutely right about the medication. The definition of illness or what qualifies us for Canada pension and medications, in terms of the families ability to wipe that off and receive compensation from the government, has to be considered.

I remind the member that in 1997 the present government, in fact, the Prime Minister and his team, campaigned on a promise of bringing in a pharmacare program. Talk about irresponsibility. They cannot even pay the bills in the health care system today or support the health care system to the level we as Canadians would expect. At the same time, they campaigned on the promise of a pharmacare program that they had no intention of fulfilling nor had the capacity to fulfil. The health minister is still on that same bent and talks about designer programs. The health minister has his pet projects but knows full well that the system is broken.

I think they have to get the fundamentals right and working before they start talking about new programs. Canadians want health care. In fact, they want a good health care system and are willing to pay for it. They do not want the minister tinkering with a system that would work given the chance.

We have to remind the member as well that primary health care is the responsibility of the provinces. Under the Canada Health Act, all the health minister can do is secure funding for the provinces and hope that they live by the five principles of the act. This was an act that the government introduced about 20 years ago. Now, in terms of its responsibilities, it is attempting to unravel and climb out from underneath it.

There is more the government can do. Health care is the number one issue on the mind of every Canadian. They are looking for leadership on that side of House but there has been an absence of that on this issue. We do not want to get off this point, but when this budget was introduced, I knew it was not an election budget. Why? The money that has been dedicated to health care and education in this budget would keep our system running from coast to coast for three days.

I have not addressed that need but we are looking for some leadership on that side of the House.

Mr. Ken Epp (Elk Island, Canadian Alliance): Mr. Speaker, I am privileged today to stand in the House of Commons and speak, not only on behalf of the taxpayers of Elk Island, but also, I believe, on behalf of the taxpayers of the whole country on the implementation of the latest budget.

It is interesting that we have not yet fully implemented the previous budget. We still have some bills to pass. Today we are talking about the current budget.

When I think of the implications of the budget, I immediately think about families. Some time ago I read that one of the most

important factors leading to marriage breakups and family stress are financial factors.

• (1050)

I read somewhere that husbands and wives argue more about money than about anything else. There is no doubt in my mind that our tax regime and the government intrusion into our economy and governments, of which the federal is only one of the three levels of government in this country, but the combined levels of government confiscate from the average taxpayer approximately half of the earnings of that taxpayer. Psychologically, that is very discouraging.

It means that as we earn money in order to provide for our families that we actually get to use only half of it. The rest of it is taken from us. Consequently, it makes it very difficult for people to make ends meet and, as I have just said, this is what adds to stresses in families because there is an argument as to where the limited resources of the family should go.

I would like to preface my statements today on the budget simply by emphasizing again that this is an anti-family government. The Liberals do not do what is good for families. They do not do what is good for children. They tax families to death and then somehow they try to get out that they are doing all these wonderful things by giving families money.

The government has no money. The money that it has is what is confiscated from taxpayers and all it does is redistribute it. It takes it from the pocket of one taxpayer and puts it into someone else's pocket. The degree to which this government does it is excessive.

I would like to also say that there is no implication here that I do not believe in helping those who are less well off. I believe their taxes payable should be even less and that benefits for people who are in dire straits should be there. How they are delivered is a matter of great debate. I, frankly, think that a distant federal government in Ottawa trying to figure out how to distribute the taxpayer's money and to identify people who need it is just wrong.

We have noticed in the last couple of days that the government has transferred a lot of money through Bill C-23 to a group which statistics show are above average in income. The government's anti-family agenda continues. I think it is time that we replace this government and that we start having some policies and principles in Canada which are pro-family and which allow families to keep more of their earnings to pay for the things that they need.

The previous speaker from the Progressive Conservative Party spoke about the debt. This has been one of my chief complaints about the management of the government. The message from the PR department of the government is that everything is fine. The Prime Minister likes to have people think everything is okay, "don't worry, be happy".

Government Orders

Yet the facts belie the situation. The government gets the people to feel better by giving messaging that puts it in a very good light. As a matter of fact the documents, the actual facts, the numbers in the book, show a completely different picture. They emphasize that the facts are not that rosy and what the government, the finance minister and the Prime Minister do is to simply try to persuade the people that things are really good.

I happen to have here a copy of the 2000 budget plan which is the basis of the bill today. The bill we are debating is the implementation of parts of this budget. I happen to have a copy of the budget here. It is a fairly big document. It has about 350 pages in it. I think it would be wonderful if Canadians would take the time to actually get on the Internet site and look at these budget documents and see what it is that they really say.

• (1055)

I am on page 52 of the budget plan 2000. With respect to the debt, it says "Net public debt". We see in 1998-99 it was \$576.8 billion. In 1999-2000, the year for which the books are not yet quite completed, although the fiscal year has ended it will take a while for all of the government accountants to check up, the number for the debt is exactly the same, \$576.8 billion. We look at the current budget. What is the government's plan to reduce the debt? It's plan to reduce the debt is zero since it has budgeted for a net public debt at the end of the year of \$576.8 billion. Then we have the projection for the next budget for planning purposes. This is not part of the bill we are discussing today, but it is what is expected to happen the year following this budget. What is the number? It is \$576.8 billion. The plan this government has to reduce our indebtedness is zero.

When I first ran in the 1993 election, one of the things that I did shortly after the election was make a number of visits to schools. I still do a number of these, but for some reason or other the number of calls that I get to come into the schools has diminished a bit in the last couple of years, but at first I had many visits. I used to begin my little talks to those students by apologizing from my generation to the young people of that generation. I used to say to them "I am so sorry that people in my generation somehow did not exercise our political clout to turf the people out who were putting this generation into debt".

We have young pages in this place. Earlier today we had a number of young people in the visitors' gallery. All of the young people across the country are asked to pay the bills that we in our generation have rung up. I take partial responsibility for that because I sat on my hands. Yes, I always voted. I voted for the PCs most of the time who were at that time the least of all of the bad options. We were hopeful in 1984 when we finally elected a Conservative government that it would do something about the debt which was increasing continuously under the Liberals. We had a great amount of hope that when the PCs took power in 1984, that

would be the end of the spiralling growth of debt, the end of deficit spending. Did that happen? It surely did not. As we well know, we had record deficits under the PCs.

I heard my colleague from the PC Party speak a little while ago and he addressed the debt question. He said, "As a matter of fact that debt was simply the compound interest on what the Liberals left them". Mathematically he is correct. Let us take the debt that the Conservatives inherited in 1984 and simply apply an interest of around 9%. I did the calculation one time. If we use an interest rate of around 9% or 10% it does bring us to the level of debt that the Conservatives had when they were brutally kicked out of office in 1993. That was because it took us about nine years to discover that the debt that the Liberals had built was not going to be eliminated by the Progressive Conservatives since in that same time they allowed it to continue to grow. Program spending was not greater than the amount of their revenues, but every year they borrowed. The numbers are obvious. The interest payments on the debt were around \$35 billion, the deficits were around \$35 billion. In the last year it was over \$40 billion. It is simply true that they did not look at the debt. They pretended it did not exist. They did not address it.

Are we any better off under the Liberals? The answer is no. As a matter of fact, I happen to have the numbers here right at my fingertips because I looked them up in preparation for this speech today.

• (1100)

In 1993-94 the debt was \$508.2 billion. Under the Liberals it grew approximately \$37 billion in the next year, \$32 billion in the next year, and \$24 billion in the year after. My numbers are a little too high because those are the projected numbers. The debt grew to its present number which, as I have already indicated several times in my speech, is around \$576 billion.

It is atrocious. While the Liberals communicate to Canadians that they are wonderful, that they have beaten the deficit dragon, the fact is that the deficits of some \$40 billion a year have been overcome simply by the fact that the government is taking that much more in income tax revenue.

The Liberals say they did not increase taxes but they did. The tax revenues are up. It is right in the budget document. This is not political messaging; it is simply what we read in the document. If we look at the income tax revenue in previous years and compare it to income tax revenue now, it has steadily increased to the point where now the government is taking about \$40 billion a year more out of the economy than it did when it first took office.

Hence the deficit has been eliminated but not because of good financial management by the government, but because it has allowed bracket creep to continue over the last number of years. Therefore the income tax revenue has gone up and it caused the

Government Orders

deficit to disappear because the taxpayers were putting in more money.

The amount of actual program spending the government has cut is minuscule. It is essentially zero once we cut out what it has downloaded to the provinces through its reduction in transfer payments.

It is not at all attributable to the Liberal government that we are in better shape now. We are in better shape because the debt is no longer increasing. It has not been because of the Liberal government; it has been in spite of the Liberal government.

Added to that is all the wasteful spending which has been brought to light by the auditor general. The auditor general is a non-partisan officer of the House. His task is simply to report to Canadians on the management of the money. Over and over and over the auditor general reports that there are big problems. He does not use the word boondoggle, we do. The simple definition of that word is where money is being spent in great amounts without proper accounting and without proper control.

I have a surprise for a lot of people who do not know this. Many people think that we are now in a surplus situation, that we have money to spend and therefore we are really looking pretty good. I found something that the finance minister never mentioned in his budget speech. No one on the Liberal side has brought this to the attention of the Canadian people, but here it is.

Once again I am looking at the actual budget document printed by the Minister of Finance and delivered to the House of Commons on February 28. It says on page 76, "For 1999-2000, a financial surplus of \$8 billion is expected". The finance minister said this lower surplus reflects the assumptions of a balanced budget and lower sources of funds from the pension accounts, et cetera. In 1999-2000, the year just ended, the government expects a financial surplus of \$8 billion.

We have to remember that was in the fiscal year in which we passed a bill in the House which allowed the government to do a bookkeeping entry by taking \$30 billion from the pension fund of the civil servants of our country. Our party believes that probably the government was entitled to part of that, because clearly there were overpayments and there is a surplus in the fund. Undoubtedly the Canadian taxpayers via the government are entitled to a part of it, but a part of it at least is due to the employees of the government. The Liberal government defeated any amendments we had to correct that and took \$30 billion from them.

• (1105)

It is also as a result of the fact that there are huge surpluses in the EI fund. Have the Liberals corrected it according to the actuarial standards? No, they have not. They have made some little mediocre changes. The actuary said that the rate of premiums for EI should be around \$2 per \$100 of earnings, but the government continued

to take \$2.40 per \$100 of earnings. The Liberals brag that they have cut it, but they are still enjoying huge surpluses in that form.

The next paragraph is the one which will shock members. It will probably shock most Liberal members because the finance minister has not brought this to our attention and he was mum about it in his speech. It says on page 76, "For 2000-01", the year this budget covers, "a financial requirement of \$5 billion is expected, the first requirement in three years".

We are back to borrowing money in order to run the operation of the government. This is in the cash flow part. These are the budgetary balances and the government is projecting for this year's budget that there be a requirement of some \$5 billion worth of borrowing and it is keeping it a secret from us.

I have exposed the secret. It is in the book in a little paragraph on page 76. I am sure that everybody was instructed carefully, "If you see it, do not mention it, because we do not want people to get the impression that we are not perfect managers of the taxpayers' money".

The lid has been blown off that one. We have seen all of the wasteful spending, the spending not accounted for, all the grants and contributions, the political slush funds. We have seen all of that. The government is not responsible. Now we see it communicating that everything is hunky-dory when in fact with this budget it is bringing us once again into borrowing.

It is a shameful thing that the government simply cannot get its act together. We live in a country which is rich in resources. We have minerals. We have mines. We have oil. We have gas. We have diamonds. We have forestry products. We have a tremendously valuable agriculture resource, probably the best in the world. Our farmers are the most efficient in the world. We have a hardworking energetic population. Certainly living in our climate we are a very hardy population.

There is no excuse in the world for this country not to be the very best in the world. It should be debt free. If the governments over the last 30 years had been dealing properly with our money, we would not have debt. We would not have some \$40 billion a year in interest payments which siphon off from Canadian taxpayers the money that should be spent for programs like health care and education. Those are programs Canadians are demanding but which they cannot have because governments, both past and present, the Liberal government and the Conservative government, all of them in the last 30 years, have done this to our young people, to our families, to our country. They should hang their heads in shame because they have failed utterly.

We ought to get some people running the government who act like business people, whose objectives and primary goals are to do what is right for the people, to manage the economic affairs of the country properly. They have to forget that the primary goal is

simply to get re-elected, which is what too often clouds the financial decisions in this country.

In conclusion, I wish I had another 20 minutes to speak but unfortunately the speeches of 40 minutes are gone from this section.

• (1110)

[*Translation*]

Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ): Mr. Speaker, I am pleased to speak this morning to this bill on the budget. Not that I support it. We in the Bloc Québécois voted against the budget. In this case, we are studying Bill C-32, an act to implement certain provisions of the budget tabled in parliament on February 28, 2000.

This bill has seven parts to it. As I have only ten minutes, you will understand my limiting myself to only some of the aspects of the bill.

The first part talks of amending the Employment Insurance Act to increase the number of weeks of parental benefits to 35. The number of hours of insurable employment to qualify for employment insurance benefits is also reduced from 700 to 600. None of this takes effect until December 30, 2000, at the end of the year, in other words.

At first glance, the desire to help parents assume their responsibilities may seem a good thing. It is hard to oppose the principle of parental benefits. However, this is another example of federal meddling in a field usually reserved for the provinces. In the case of employment insurance, there was agreement at one point by all provinces—in 1948, I believe—to pass the Unemployment Insurance Act. The government is putting certain social measures in place, such as this one.

What I think is needed is a real family policy. That is what Quebec is aiming for and it has laid down some important groundwork. For there to be real assistance, there needs to be consistency. That would best be achieved by one level of government looking after things.

That is what Quebec wants to do. It would like to see the federal government put more into the Canada social transfer or other programs so that the provinces can, if they wish—as Quebec is doing and wants to keep on doing—implement a real family policy. That would be the ideal.

Oddly though, the number of hours to qualify for this benefit has been reduced from 700 to 600 in certain regions, but 420 in others. I am referring here to high unemployment regions.

How inconsistent that regional disparity is not taken into account with respect to parental benefits. As a result, if a woman loses her job for whatever reason and is not expecting, 420 hours would be enough. But in this case, when she leaves work to take up her

Government Orders

responsibilities as a mother, she needs 600 hours. This is not consistent.

And there is another thing. Since 1991, we have been after the government constantly because it is no longer contributing to the EI fund. This fund consists of the premiums from employers and employees. The government uses this money to enhance its visibility but the money is not its to use. Once again, it is money that belongs to employers and employees.

All the while, to reduce the deficit, when the government was in deficit, the Minister of Finance was dipping into the EI fund. Now that there is no longer a deficit, the government continues to help itself in order to give itself as much scope for action as possible. To what end? In general, to interfere in provincial jurisdictions. It is completely ridiculous.

• (1115)

I will now move on to the second part of the bill, which also has to do with the \$2.5 billion Canada social transfer for health and social programs, to which the government has made drastic cuts since 1995.

The hon. member for Mercier will remember the days when we both sat on the Standing Committee on Human Resources Development. The committee went on a tour and there were protests everywhere. Except for the witnesses called by the Liberal Party, at least 75% to 80% of the witnesses came to say “No, no, do not make cuts, especially not in social programs”. But the government went ahead anyway.

In 1993, a leaders’ debate was held. The current Prime Minister, the then Leader of the Opposition, asked a question to Ms. Campbell, the then Prime Minister, about a reply she had given to a journalist. The then Leader of the Opposition asked her “Is it true that you intend to make cuts in social programs?” Mrs. Campbell replied “I do not want to make that commitment. It is one of the options being considered by the Conservative Party”.

The Liberal leader took advantage of the situation and scored political points by condemning what Mrs. Campbell might do. But it is strange to see that when the Liberal Party took office, it made more cuts in social programs than the Conservatives had made.

I recall the letter written by the present Prime Minister to minister Valcourt protesting the way he had begun to make cuts to employment insurance and to tighten up the eligibility requirements. At the time he found this terrible, but now that he is in power he is continuing with the same policy and has gone even further than what was envisaged in 1993, and we are not supposed to react.

The same thing goes for the GST. He talked of abolishing it, but what has he done? Nothing is changed. At one point, the Minister of Canadian Heritage was forced to run in a by-election as a sort of

Government Orders

validation of the change of direction, but the Prime Minister carries on as before.

The Bloc Québécois is going to be voting against this bill because its purpose is to implement a bad budget, one which continues to interfere in areas of provincial jurisdiction and does not properly serve the interests of Quebec.

When questions are asked of the Minister of Finance or the Minister of Health, or others in this House, the responses often suggest that Quebec is, or was, receiving its fair share. We do not have the latest statistics, but it is true in some ways that, until 1997, Quebec did receive more employment insurance. This is normal, however. Historically, the average extra payments to Quebec have long stood at 2%. The gap is now less than before, because the Government of Quebec has adopted good job creation measures, a fund to remedy poverty, and so on. It is normal for more employment insurance to be paid out when there is less work or more unemployment.

We have also been told that Quebec got more than its fair share of the Canada social transfer two years ago. That too was normal, because there were more poor people in certain regions. It is paid out based on need.

This bill again repeats what the minister did last year, which is to have the Canada social transfer no longer based on need but rather on population figures.

• (1120)

At a meeting the other day, people in my riding asked “We know you are a sovereignist, Mr. Dubé, but how does the Canada social transfer work?” I told them that it was now based on population.

Someone then said “So why are we in the federal system? What is the advantage? If it is on the basis of population, it should be transferred to Quebec, to the provinces, and income tax adjusted”. Sometimes the explanation is that there are tax points.

Tax points are the same thing. However, this is not real income from the federal government. Negotiations were held in the 1960s to have the tax points given to the provinces. Quebec has its own department of revenue and collects its own taxes. The other provinces do not. The federal government talks about tax points, but this is a transfer of money to these provinces.

In response to demands by Quebec, the Minister of Finance is trying through calculations to include the famous tax points. He says “Quebec gets this amount of money, which is generous”. But in the case of federal spending, the issue is not so much quantity, but quality too.

Money coming in as transfer payments for social programs, such as employment insurance, for example—although I know this is workers’ and employers’ money—is not constructive money. It is not constructive spending.

When we look at Quebec’s share in various areas, we can see that we get only 21% of spending on goods and services, 15% of current transfers to business and 18% of federal investments between 1992 and 1997. Specifically, that means 19.5% of the jobs in the public service and 19.1% of the jobs in the armed forces, although we represent 24% of the population. The annual shortfall in the federal procurement of goods and services, that is, the difference between Quebec’s demographic weight and its share of federal receipts amounts to \$1.2 billion annually.

In the case of current transfers to business, the shortfall is \$339 million in investments. There is another \$219 million that Quebec does not receive. In these areas alone, the figure is \$1.7 billion annually between 1992 and 1997.

In the research and development sector, Quebec only gets one quarter of the jobs in the national capital region, while Ontario gets three quarters. Overall, Quebec receives less than 22% of the jobs in the federal public service, compared to 42% for Ontario.

When I look at these statistics, I come to the conclusion that we cannot blame Ontarians. The federal system serves them well. Ontario is the province best served by the federal government in every respect.

The Liberals currently hold just about every seat in Ontario. I can understand Ontarians, because they have always had the largest piece of the pie, not to mention the auto pact, which promotes southern Ontario’s economic development.

Some researchers told the Standing Committee on Industry that, if it were not for the federal presence, through public service jobs, and for the auto pact, Ontario would be at the same level as Quebec. These are the two major factors that put Ontario ahead. This has to be said. This is great for Ontarians, but MPs from Quebec are entitled to point out these facts, and so are MPs from the other provinces, because the statistics for their provinces are similar.

I am greatly concerned about shipbuilding. Unfortunately, I did not see any additional moneys for shipbuilding. There is no new program, no new measure for the shipbuilding industry. Nor did I see much for small and medium size businesses. It is the small businesses that create jobs, but I did not see any new incentive for them.

• (1125)

Exports are often mentioned. Large corporations are the best placed for this sort of activity, but exports are not always within the reach of SMBs. The government talks about globalization and the Internet. Yes, small businesses, like all other businesses, need to get connected, but we see that this is not happening in the more traditional areas. The perishable goods sector, for example, re-

Government Orders

quires a different approach. The regional factor, the fact of being distant from large centres and large markets plays a large role.

We know that the federal Liberal government cut transportation subsidies. Now, for a business in a so-called remote area, it is more difficult because transportation has to be taken into account. We see the debate that took place over current gas prices. In regions such as Lac-Saint-Jean everything costs more because the cost of transportation has to be factored in.

This government is not listening to what the regions are saying. It is not listening to low-income families. The minister announced so-called tax cuts but, on closer inspection, these cuts are truly minimal compared to what he could have done with the surplus, which may top \$100 billion in three years. The Minister of Finance is cautious, if nothing else. It is all very fine and well for the federal government to want to save money, but not to pay more attention to what citizens, companies and regions are asking for is not right.

I know that my colleagues will address other aspects of this budget bill. I think that people are entitled to all the necessary information. They should talk to their member of parliament. I tell my constituents that, if they wish to have a copy of the budget, detailed explanations, they should not hesitate to get in touch with their MP. They are entitled to objective information. They must see it for themselves.

Those listening will conclude for themselves that this budget walks all over the provinces. It ignores provincial jurisdiction. That is the main thing wrong with it.

Like the Minister of Intergovernmental Affairs, the Minister of Finance is trying to crush Quebec, but he is using money to do it.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, I would like to begin by congratulating my colleague for his work on the shipbuilding situation. He has shown that assistance from the Government of Canada in this area is necessary, and not in the form of grants.

I would like to hear more on his disappointment with the budget, in this regard.

Mr. Antoine Dubé: Mr. Speaker, the hon. member for Mercier has provided me with the opportunity to say a little more on this.

The budget was a disappointment to me because there is not one cent for shipbuilding. Positive things should be mentioned when they come up, and there has been an interesting event in the industry committee on which I sit. In its report, which was tabled in the House on Tuesday, the committee made two recommendations to the government. For once, it admits that there are particular problems in that area.

One recommendation asks the government, via the various departments concerned, to adopt new measures to help the shipbuilding industry. Another is aimed at negotiations with the American government in order to gain an exemption from its Jones Act for Canada.

• (1130)

Shipping and shipbuilding are not exempt. If there were an exemption from the cost—people have studied the potential impact of this measure—there would be a return of full employment or of the level of employment existing prior to 1993. An increase in demand is expected for the next five years.

Yes, the budget was a disappointment, but things do look better than they did a few months ago in shipbuilding, since Bill C-213 was passed at second reading.

All that remains is committee work, which is scheduled for May 30. We would have preferred it sooner, but there is a chance it may be passed before the end of the session. It has to be or it will be an incredible stratagem. The Liberals would pretend to support it—in case there is an election in the fall—with the bill before the election, but if it is not passed at third reading, it would make no sense.

I thank the member for Mercier for giving me the opportunity to explain this matter and to explain to my colleagues the importance of acting on agreements in principle reached on a bill. We must go further and pass it at third reading.

[*English*]

Mr. Bob Mills (Red Deer, Canadian Alliance): Mr. Speaker, I appreciate what the member said, but I would ask him to elaborate on the effects that EI premiums and Canada pension plan premiums have on businesses in his community.

In my community those payments are certainly one of the big concerns. The government brags about lowering EI premiums, but then it raises CPP premiums. That adds to the costs of businesses. It means they cannot hire the extra worker they might otherwise have hired.

Could the member elaborate on how those premiums might affect businesses in his community?

[*Translation*]

Mr. Antoine Dubé: Mr. Speaker, I thank the hon. member for his question. I cannot of course provide figures, because I do not have them for my riding. But the member is definitely right. If there is a reduction on the one hand, but on the other hand an increase is imposed by the Minister of Finance on employers and workers, then the first measure is offset by the second one.

Government Orders

Since he brought this up, I can tell the hon. member that in my riding, until this year, the unemployment rate did not allow us to benefit from the transitional jobs fund, which was strongly criticized.

My constituents often ask me “Yes, but are there cases like this everywhere?” We saw that these cases are predominantly in the Prime Minister’s riding. There are also some in Montreal, but not in my riding. The reason for that is simple: my riding was not eligible for the funds, supposedly because the unemployment rate was too low.

But later on—and the hon. member must have noticed the same thing in his own riding—we saw that the current minister had another way of implementing the act. She applied it where there were pockets of poverty. We all have pockets of poverty in our ridings, but the minister made sure not to mention that rule. Therefore, people did not know about it, and no projects were implemented under that rule.

Under the new fund and the new standards, my riding is now entitled, like the others, to money, but at a lower level. Over the past year, about two businesses in my riding were able to benefit from the new fund. Therefore, it still does not have a significant impact on my riding.

[English]

Mr. Gordon Earle (Halifax West, NDP): Mr. Speaker, I am very pleased to have the opportunity to speak to the budget implementation act because, as we know, a budget is a very important issue.

• (1135)

A budget is really about more than money. It should never be seen as just being about money.

As we know, the budget sets the priorities for a government. It sets a sense of direction. It says a lot about the attitude of government and what government is all about. As we look at how we apportion our funding and the kinds of things we do with the money of Canadians, we are defining the kind of country we want for ourselves, our children and our children’s children. It is a very important topic.

Usually a budget attempts to be good news. It tries to present things in a very positive way so that people will come onside and support it. However, I am afraid this budget was not good news. It was not something which we could stand and be really proud of.

The Liberal government has ignored in this budget the requirements to provide a long term plan to re-establish and guarantee its commitment to the stewardship of Canada’s social programs. We know that social programs are very fundamental to our country and need our support. Yet, when we look around the country, the gap between the rich and poor is getting increasingly wider as the days go by.

Did the government listen to Canadians when it fashioned the budget? Did it listen to Canadians to get a pulse of what they were saying and what was important to them?

I would like to give members a flavour of what people have said in my constituency of Halifax West. I have held a lot of meetings over the past number of weeks and months. I have talked to people and listened to what they said. I will read a few quotes which come directly from them. The words I will put forth on the budget are not mine, they are the words of Canadians. When members first hear some of these comments they may not sound as if they are related to the budget. However, if they stop to think about them they will see that they touch upon things that are of importance to Canadians. They touch upon the attitudes, priorities and the sense of direction that this country should display.

One thing which came out loud and clear from many people was that the price of gasoline was too high. We are talking about an issue that affects people daily. Many people across this country need their automobiles. Automobiles are no longer a luxury, they are a necessity. The cost of gasoline is too high. That is an issue that was not addressed by the budget.

Another comment was “You are the only politician who sends me information, Gordon. Thank you”. People are concerned about what is happening. They are very pleased when we communicate with them. However, I am afraid the government did not communicate with the public when it designed the budget.

Another comment was “How can the QE II hospital”, a hospital in the Halifax area, “afford landscaping when it is \$20 million in debt?” Why are these hospitals in debt? Why is our health care system suffering? It comes back to the lack of support by the federal government in making health care a priority, which Canadians said was their number one priority.

Another comment was “Everything has to go through the U.S. in order to be sold. When they snap their fingers, we jump. We are Americans. The signs just say it is Nova Scotia”. The attitude of a lot of people is that we are slowly being caught up in Americanization.

Again, this is very true when it comes to our health care system. Look at what has happened. The government has started to move toward allowing a two tier health care system. Only those who can afford certain services will be able to get them. Everybody else will wait in line. Health care in our country is a very serious issue. What has the government done for health care in the budget? Nothing.

Another comment was “The federal budget was not really a good one for the average person. It did not address any of the problems that students have. It was dressed up to look good”. When we look at what was in the budget for education, we realize

that the income tax deduction was increased from \$500 to \$3,000 for scholarships. However, not all students receive scholarships. Not all students are in a position to benefit from that little change in the budget.

What we need to look at are those high tuition costs that are causing great debt among our students. Many of our university students are coming out of university with a debt load of anywhere from \$25,000 upward. That is an awful way for them to commence a working career, with that kind of debt load hanging over their heads.

• (1140)

The comment from my constituent was very real and valid, that this budget did not address the problems of students, but that it was dressed up to look good.

Another comment was “The federal government is not listening to the people. Why did it wait until just before the recent byelection in Cape Breton to announce 900 McJobs?” The jobs are classified as McJobs. It is true that the problems in Cape Breton did not crop up overnight. They have been around for quite some time. Any government with any foresight would have been working to try to develop the means of making that part of our province productive and meaningful, rather than waiting for a crisis and then flying into the area and talking about patronage at its very best, because we are getting close to an election, and throwing out some jobs. This is not what people want. People see through this. They realize that this is not sincerity. It is not setting a true attitude of caring and understanding for the people.

Cape Breton is a wonderful part of our province. It has all kinds of potential. There are many opportunities for the tourism industry and home businesses, with new technology and so forth. A forward thinking government would certainly be moving in the direction to try to promote some of those things, rather than waiting for a crisis, waiting for an election and tossing out a few tidbits around election time. People see through that.

Another comment was “What kind of influence would Paul Martin have on whether or not we have a shipbuilding policy?” These are the words of my constituent, they are not my words. “Canada Steamship Lines has an aging fleet which will have to be replaced by double hulls and it will be cheaper to build the ships outside Canada”. In other words, people are starting to look at things and they are saying “Why is it that the government is not supporting a good shipbuilding policy for Canadians?”

I note that recently the industry committee submitted a report in which one of the recommendations was for the government to encourage the U.S. to repeal the Jones Act. I think that we all know that the U.S. will not repeal something that is in its favour to appease Canada and to try to help us. We need to look at establishing our own legislation, our own policies that will support and assist our workers here in Canada. We can do that.

Government Orders

The Acting Speaker (Mr. McClelland): I am sorry to interrupt, but I was not paying strict attention earlier. Was it the hon. member's intention to split his time?

Mr. Gordon Earle: No, Mr. Speaker.

The Acting Speaker (Mr. McClelland): All right, then the hon. member for Halifax West has 12 minutes left.

While I am on my feet, you cannot bring in the back door what you cannot bring in the front door. It is not appropriate to refer to members by their given names, even if it is in a letter from someone else, just as a point of interest for everybody.

Mr. Gordon Earle: Mr. Speaker, I had forgotten that for the moment, and I thank you for reminding me.

Another comment which was made during the meetings I held was “Will there be any infrastructure money for us?” We note that the government announced in its budget that there will be an infrastructure program, probably similar to the one that was carried on previously, and we applaud that move as a very positive move. However, our concern is that the details have not yet been worked out. We understand that it may not be until 2001 before some agreements are worked out with the provinces to get this in motion. We need the infrastructure now. We need these programs to move in favour of the communities.

There are many small communities in my riding which would benefit immensely from a good infrastructure program. We hope that these programs will not be focused only on major infrastructure projects like highways, but that the programs will reach into the communities to assist them with the goals and objectives which are meaningful to them, such as community centres and structures to assist our young people and our children, the real heartthrob of our country, to give them the recreational and educational opportunities that are needed.

We want to watch that infrastructure very closely. The question from the constituent, “Will there be any infrastructure money for us?”, is very valid because sometimes we know that these programs are administered in a way in which, far too often, there is much political manoeuvring around who gets what and how it takes place, and that should not be the case. We see the very result of that in the House today with the many questions regarding the administration of the HRDC grants and how they went to various ridings. We hope this will not become an issue with the infrastructure program. With regard to the budget, we certainly feel that the infrastructure program is important and we hope it will be carried out prudently.

• (1145)

The health care system is a mess. I have spoken about this already. This issue was raised time and time again by many people

Government Orders

in my constituency who were concerned about the health care system. I am glad to see that the government is now looking at discussions with the provinces on how to move forward on some of the very vital issues. We know that this must be more than window dressing. It has to be sincere and it has to show that the government is putting forth the kind of support that is needed. Unfortunately, the fact that the federal government is contributing so little to the health care system compared with what it contributed years back is indeed something that has caused a lot of problems, long waiting lines, a lot of difficulties with our health care system.

The budget did not really address two very important aspects of the health care system, home care and pharmacare. These are very important issues. Many elderly people in my riding say to me "On my fixed income I cannot afford the cost of the drugs that I have to buy". This is a very real problem for many people, particularly seniors. We in the NDP feel the government has strongly ignored aid and assistance to our senior citizens in its budget.

Our seniors have contributed a lot to their communities and when they get to their golden years, they should not have to be concerned or worried about their next meal. They should not be concerned or worried about needing medication and balancing their budgets and doing without some necessity in order to get their medicine. I know of many senior citizens who are going without their medication because it is not available to them with our present health care system. I have many comments I can make about this issue.

One comment that came up time and time again was the fact that the government does not listen. There is a feeling among the public that when politicians campaign at election time, they will say anything and everything to get elected. Once elected, they become obsessed with power and do not listen to those who elected them. In some cases, constituents never see their elected representatives. The feeling is that government does not listen to people. It does what it wants when it wants.

Another issue was the announcement by the government that it was going to provide assistance to professional hockey teams. In this case, perhaps the government did listen when people spoke out loud and clear and said "We don't want it". The government backed off rather quickly because there was quite an outcry from the public.

I quite often tell people in my constituency that they have power in their voices. If they combine their voices with that of others they can get some change. I have told them not to be afraid to speak out on issues. I encourage people to make sure they direct their concerns to the government or their MP when they have these kinds of concerns. We have to make the government listen. It is our future. It is our country. It is our destiny.

Who can live on a \$575 per month CPP disability pension? Over and above the issue of the amount that is available for this pension, people also find they have difficulties when they apply for this.

Many people in my riding come to me with obvious disabilities and will never be able to work again. Yet, they have trouble getting the disability pension. When they do get it, it is only \$575 per month. There is very little one can do with \$575 per month with the cost of housing and food. There is not much left over. This issue was sadly lacking in the budget. There was nothing to address the concerns of our senior citizens, those who are living on disability pensions or those with limited or fixed incomes.

What happened to the debt? Is the government not worried about it? I am afraid of what we will be leaving our children with in terms of the debt. That is a very important comment. What will we be leaving our children? What will our legacy be to our children? Will we just be passing on to them a system of two-tier privatized health care where if they are not fortunate enough to be earning enough money, they are not going to be able to get access to the best medical treatment or will we be leaving them a system which is universally accessible to all, one that we can be proud of?

• (1150)

This is what we in the NDP are fighting for. This is what we feel the government should maintain. Unfortunately, we see the government moving in an opposite direction. The government is tolerating the setting up of private clinics and the operation of "private hospitals". I put it in quotes because people will say they are not hospitals. The reality is when persons are sick or their leg is broken and they go for service, they are not questioning whether it is a clinic or hospital. They look at whether or not that service is available to them. What kind of system are we leaving to our children?

I will share another comment with the House because I like this one in particular. It states "I don't understand why people will not give the NDP a chance". I think that is a good one. I think it is time for people to start looking at their options and realize that there is a voice out there speaking for them which is concerned about many of these issues.

I will keep your admonition in mind, Mr. Speaker, about calling people by names. I will leave out the name but another comment states "It took Mr. X more than one year to answer my letter regarding CPP". This person was writing to a minister of the government about her CPP.

Mr. Ken Epp: Was it the Minister of Finance?

Mr. Gordon Earle: Yes, it was, Mr. Speaker. It was the minister of—

The Acting Speaker (Mr. McClelland): We do not want to get carried away here. We can refer to the minister by the minister's

Government Orders

riding or the minister's responsibility. We just cannot use the name. So feel free. The hon. member for Halifax West.

Mr. Gordon Earle: In any event, it took this individual one year to answer a letter. I know we all sometimes have problems getting back on time with our correspondence. However, the key is this. When people are looking to governments and their leaders, they want to feel that there is some sense of responsibility on these issues because these issues are very crucial to them.

These are the kinds of comments that are coming forward. I raise these in good faith to give an understanding as to why people are concerned about the budget and why they are concerned about the government.

I am not sure how much time I have left, but I want to bring this to a conclusion on a positive note. I think it is very important for each and every one of us in the House to examine very closely the budget from the point of view, as I said before, as to what it says in terms of priorities for people, priorities for Canadians. What are we saying to the public about the direction in which we want the country to go? We have to get past the bottom line being just the dollar. By that I do not mean that the dollar is not important. Of course it is important. However, there is much more importance in having a sense of decency about the way we conduct our business, about having a sense of obligation and responsibility to seniors, students, the ill and those who are afflicted.

There is much more to the budget than just the dollars themselves. We notice that the budget did not really touch upon many issues that would affect aboriginal people, our first citizens of this country. These kinds of things determine what attitude we have about our country, about where we are as a nation.

In conclusion, I would say that we certainly were disappointed with the budget. We hope that the comments of Canadians, such as the comments that I read earlier, will be taken to heart and the government will look at those things in a meaningful way and try to do what is best for our country.

Mr. Dale Johnston (Wetaskiwin, Canadian Alliance): Mr. Speaker, I listened to the member from Nova Scotia talk about the inadequacies of the Canada pension plan as far as disability pensions are concerned. The member will know that the government has arranged for the Canada pension plan premiums to be raised to 9.9% of earnings and that will take place over the next two or three years. Along with that increase in the premium rate, we are seeing a decline in the number of people in the workforce and an increase in the number of people who are retired. Therefore, we have more and more people retiring and fewer and fewer people actually paying the premiums.

• (1155)

I wonder if the member would enlighten us as to how he sees curing that problem. More and more people are retiring and going

on disability on the Canada pension plan, fewer and fewer people are paying into it and the rates are increasing and increasing. Where does he see the rates stopping?

Mr. Gordon Earle: Mr. Speaker, I do not think I am really qualified to say where I think the rates should stop.

I think the hon. member has raised a valid point with respect to the increase in premiums and so forth because far too often what is happening is that the government is constantly increasing premiums and taking more money from people when in reality what we need to do is readjust our priorities so that the money that is there can be utilized in a more positive way to alleviate some of the difficulties that people who must go on disability encounter.

When we look, for example, at what happened with the EI premiums and a program designed to help the unemployed, the government took that money and threw it into its pot so that it could come up with a surplus.

When we look at superannuation, the money is taken there and put into a pot so the government can claim a surplus. When we look at the pay equity struggle that workers had for years and years and years, again, it comes back to priorities. If the government will reorganize its priorities and think in terms of people, then that issue that the member raised will come to a natural resolution.

Mr. Gary Lunn (Saanich—Gulf Islands, Canadian Alliance): Mr. Speaker, thank you again for the opportunity to speak on Bill C-32, the budget implementation act.

At first glance the bill tries to pass itself off as legislation that will bring about tax relief and the elimination of bracket creep. The bill attempts to appear to be beneficial to our health care and our education systems. It has the appearance that there is a claim that there will be increases to the transfer payments to the provinces. The government would like us to believe that the bill will make major breakthroughs for families with the national child benefit.

When I actually go through the bill and really analyse this, I can summarize the bill or the budget in two words. This budget is about tinkering and tokenism and nothing more.

Canadians are getting less. Polls across this country indicate that nine out of ten Canadians want substantive tax relief. We have seen the Liberals take, take, take since 1993 when they formed government. We have seen our disposable income continually fall. We have become worse off. They take a dollar and they claim they will give us back a dime, and I emphasize the word claim as I am not convinced that that will happen, and we are supposed to thank them.

There is something desperately wrong with this. This all comes back to the Minister of Finance. Unfortunately, he does not

Government Orders

understand that this is not his money. This money belongs to the people of Canada. Until we change this institution, until we change how we spend taxpayers' money and until we bring back accountability, this country will be worse off.

I chatted with my colleague, the member for St. Albert. He introduced Bill C-477, which I found very fascinating. There is something that is quite startling in that bill. The title alone, an act to provide for evaluations of statutory programs, really goes to the heart of what I am talking about.

I want to read one little section of what he is trying to do. Again, the member for St. Albert tabled four criteria this morning. This bill is about the evaluation of government programs and it is basically to replace a sunset clause.

One, what are the public policy objectives that the program is designed to achieve; two, its effectiveness in meeting its objectives; three, the efficiency by which it is delivered; and four, whether its purpose could be better fulfilled by different means.

• (1200)

I would say that those are four very important fundamental principles we should be thinking about every time this institution spends taxpayer dollars, but that has not happened. Time and again we see that there is no accountability. These programs create a life of their own. They grow and completely lose their objectives.

I am not suggesting that we do not need to look at investing in this country but, as we have seen in the billion dollar boondoggle in the HRDC program, the job creation funds and many more, these programs often fail every single one of these tests. This comes back to accountability and whether taxpayers are getting value for their money. The member for St. Albert pointed something out to me that really struck me. He said that we need to show accountability with every single dollar going out of this institution. Unfortunately, that is not happening.

Michael Mendelson, an economist from the Caledon Institute, said "Fiscal doom does not await us if we decide to tax substantively less than Ottawa is likely to do—even in this slower economy, reduced taxes would turn that around".

Sherry Cooper, from Nesbitt Burns Inc., said "It is precisely because of economic uncertainty that tax relief to support businesses and consumers is needed now. The Canadian tax burden today is excessive, dramatically reducing our economic well-being. Furthermore, substantive tax cuts will not jeopardize the hard-won gains on the fiscal front".

The guy who is holding the purse strings is the Minister of Finance. We have to start holding him personally accountable for a lot of these decisions, such as on health care.

I will give an example from my riding. In the province of British Columbia we have two level two intensive care units for children in all of B.C. One is in Vancouver and the other one is in Victoria. They have been there for a long time and have saved hundreds of children's lives. One of those institutions is about to be closed. I spoke to the hospital administrator, the CEO of the Victoria Regional Health Board. He looked at whether they could be more efficient or whether they could do a better job by centralizing but, he said "I have to acknowledge that this whole debate started for one reason: money. There is not enough money. The pie is not big enough. It gets smaller and smaller. We have to shut it down". This will have a dramatic effect on how we deliver health care on Vancouver Island. It is wrong.

The guy who is cutting the pie and handing it out, but not back to the taxpayers, is the Minister of Finance. We often hear that it is the entire government but it is the Minister of Finance who has the most influence on what is happening. It really perturbs me that they take a dollar, give us back a dime and we are supposed to thank them. Health care in this country is in a crisis.

Let us look at some specific things that this budget does or does not do. It talks about bracket creep. Bracket creep is something that has already put one million low income workers on the tax rolls and pushed another 2.5 million taxpayers into higher tax brackets. Between 1986 and 1999 bracket creep created an extra \$10 billion in taxes.

I applaud the government for eliminating bracket creep. Let us call a spade a spade. It eliminated bracket creep, which was one of the most significant things in the budget, but it is calling it tax relief. It is absolutely amazing. It cancels future tax increases and that is supposed to be tax relief. It is beyond comprehension. I do not know if we need to send members back to school to take economics 101 or send them to an economist. However, to cancel tax increases for future years and then say that they are giving us tax relief is wrong.

• (1205)

We have to put a solution on the table. I am extremely proud of what the Canadian Alliance has put out there. The member for Medicine Hat has worked extensively on what we refer to as solution 17, which is a single tax rate of 17% for everyone. What that will do is create an environment where the private sector will help the economy flourish and create meaningful, long-lasting, permanent jobs where people's lives will become better.

While speaking to the member for St. Albert this morning, we discussed his private member's bill that would bring back accountability to how we spend money. An example that comes to mind is the TAGS program. The government spent almost \$2.8 billion paying fishermen to sit at home and wait for the fish to return. We

Government Orders

all agreed that something needed to be done for these people but the people were worse off after the program ended than they were when it began. It did not help them. All the money was for naught. We gave them no hope and no future. They were extremely frustrated five years later.

We do have situations that happen at various times for different reasons and we need to address them as a government. Unfortunately, the strategies we have seen coming from the government have not helped Canadians. They have put them in a much worse situation. Our health care system is crumbling before our eyes. People are dying while on waiting lists. There is less money in our health care and in the transfer payments today than when this government took office in 1993. That is an absolute disgrace.

Let us look at the billion dollar boondoggle. The government will of course say that it was not a billion dollars. We know there was no paperwork for 15% of the applicants. No one could even tell us if the people had applied. There were numerous other grants where people had asked for \$60,000 and received \$100,000 and told to keep the change. I know how long any experienced private business person would stay in business if he or she operated in that manner. It is absolutely mind-boggling that the government actually tries to defend these actions. It takes the government so long to react on anything that when it does, one wonders just what will happen.

Coming back to the billion dollar boondoggle, how did the government respond to that situation? The budget was tabled in the House in February. How did the government respond? It responded by giving more money to grants and contributions this year. In this year's budget alone it increased grants and contributions to \$1.5 billion. I do not know the exact number but I think it gave \$200 million or \$300 million to HRDC alone.

What did health care get after years and years of cuts? It received \$1 billion. Our national health care is very sacred. It is the cornerstone on which we should be focusing but the government is dropping the ball and doing nothing.

The Canadian Alliance has a better plan. Solution 17 is a single tax rate that will put money back into the hands of taxpayers and families.

• (1210)

Let me tell the House about the government's six point plan. I do not have it in front of me so I will try to do this from memory. I actually had a copy of the previous six point plan before the government had its first six point plan.

The first point is, there is no plan. The second rule in the six point plan is, if there are any rules, do not follow the rules. The third rule is, locate Shawinigan on the map, memorize it and send lots of money.

Some hon. members: That is not in the plan.

Mr. Gary Lunn: A member has said that is not in the plan. Of course that is not in the plan and is not the fact but that is exactly what happened and how it ended up.

Let me read from page 46 of the Minister of Finance's budget plan 2000 dated February 28, 2000. By the minister's own numbers, it says that by the end of this year we will have a deficit. If the members on the other side want to follow along, they should open the budget at page 46. Chart 3.1, Federal Government Budgetary Balance. Throughout the 1980s and up until 1997 we see that we have gone up to about a \$40 billion deficit. We then have a little spike up over the line. Guess what happens at the end of this year? It goes back to below zero. The government will spend more money than it will take in.

Let me give the Minister of Finance's definition of what this chart means. It is called "Financial Requirements/Surplus". It states:

Another important measure of the Government's finances is the financial requirements/surplus—the difference between cash coming into the Government and cash payments made for programs and public debt charges during the year.

Why is the government spending more money than it is taking in? It is because we are one year before an election. Interestingly enough—and I found this quite fascinating because this chart goes back to 1961—if we look at the year before every federal election we can see that government spending goes through the roof. The election machine kicks in, the goodies come out and it is time to buy more votes. What do members think the billion dollar boondoggle was all about?

The Prime Minister's riding received more money than two or three prairie provinces combined, money that was completely unaccounted for. The Prime Minister announced grants before there was even any paperwork and before the department even knew about it. People were backpedaling so fast to make it happen it was not even funny. That is so wrong. It is a culture that has permeated this institution that we have to change. We have to bring back accountability and respect.

I would ask hon. members to get a copy of Bill C-477, which the member for St. Albert tabled this morning. He wants to bring back an evaluation of statutory programs so that Canadian taxpayers will get some value for their money. He wants to make sure that the programs will do what they were intended to do. Imagine that, somebody is actually suggesting we make sure that programs are effective, that they meet the stated goals and that they are run in an efficient manner and, if not, that they are run in a better way.

The government is not interested in anything like that. It will not let something like that see the light of day. It will shovel the money out the back door faster than any of us could. It is incredible. We see it day after day.

Government Orders

Who is holding the chequebook? It is none other than the Minister of Finance. We saw the sort of unofficial leadership race on that side of the House and we heard people talking about the Minister of Finance. This is the man who has been in that position since 1993. He is the guy who has slashed and burned health care, who has not put money in. He is the man who cut back transfer payments to the provinces so much that officials are cutting one of two intensive care units in Victoria where I am from. Children's lives will be put at risk. People will die.

• (1215)

Mr. Hec Clouthier: That is the province.

Mr. Gary Lunn: No, that is factual. It will be very tragic. They will have to be airlifted to Vancouver. It is a level two intensive care unit for children. It is a very high level of care that has been there for some 15 years and all of a sudden it is being shut down.

The CEO of the Victoria health board in his own words said that the debate started because they do not have enough money. It is wrong. It is time that the government did something about it.

We could go on and on but let us stick to the facts. Let us talk about the standard of living since the government came in. We live in a great country but we cannot take it for granted. The standard of living since the government came to power has dropped. The savings of Canadians have dropped. Young families are struggling. Health care is in an absolute, complete crisis. There is no accountability of how money is spent. We see such things as the billion dollar boondoggle going on. It is a disgrace. What is the government's six point plan? It is to give it more money next year and give health care less. That is wrong.

In my riding migrants were the big issue. The government is more concerned about building more beds at provincial jail institutions than it is for health care. I hope the members on the other side have taken note. It is time to bring back accountability to this institution and bring back respect. It is long overdue.

Mr. Philip Mayfield (Cariboo—Chilcotin, Canadian Alliance): Mr. Speaker, I congratulate and thank my colleague for bringing to light the information in his speech.

It was interesting as I listened to him to reflect on some of the promises the finance minister has made. He will increase federal spending by something over \$86 billion over the next five years. It is amazing he would put that expense on Canadians. It is almost \$3,000 per Canadian, to increase spending to that level. At the same time I hear my colleague talking about the tragedy in Victoria with the closing of the children's intensive care unit.

How would my colleague rectify this situation? It is impossible to imagine that expenditures can be raised and still cut services at

the same time and at the level that the Liberals are doing it. I ask my colleague to describe a situation which he sees would not only improve the situation for Canadians but would provide the services they need as well.

Mr. Gary Lunn: Mr. Speaker, my colleague has touched upon the very important point about the massive increase in government spending. If the government put more money into health care, that is one area which would get my support. However, where is the \$86 billion increase in spending going?

As we have seen, the biggest beneficiaries are programs such as grants and contributions. Some of the grants are absolutely mind-boggling. They are almost insulting to repeat. It is important that we remind Canadians how the money is being spent.

• (1220)

Under Canadian heritage, grants have gone out for hanging dead rabbits in trees, for setting up a call centre for prostitution or phone sex or something like that as an art exhibit in Paris. They are absolutely horrific. I cannot believe the government would allow one thin dime of taxpayers' money to go to those. Not only did it send it, it supported it. It defends those types of programs.

The member made a very important point. There was an \$86 billion spending increase. It is time to put money back into the pockets of Canadians for them to spend. It would help stimulate the economy and they would spend the money a lot better.

There are some things we need to spend money on such as health care. We need to debate how to deliver health care in this country. Our national health care needs to become stronger. Whether Canadians get sick in St. John's or they have a heart attack in Winnipeg or Vancouver, they want to know that they will be treated without having to wait. Unfortunately that is not where the money is going.

I was asked what could help turn the situation around and bring back some credibility and respect. Our solution 17 would see a single tax rate of 17%. It would increase the basic exemption for people to \$10,000. It would not discriminate against people whether they were working or not and both people in the household could get that. That would take one million Canadians off the tax roll. People with lower incomes would be the biggest beneficiaries. A family of four would have to earn in the neighbourhood of \$26,000 before paying one dime in tax. There are people in the country right now who are below the poverty line and who pay taxes. That is wrong.

Where does the money go? It goes to political patronage and to the cronies of the people over there. That is so frustrating to me. There is example after example. It goes out one door and comes in another door called the Liberal Party of Canada. There are lots of

Government Orders

examples. It is corrupt and it is wrong. It is time we changed that and brought back respect to this institution. I am not going to quit until we do.

Mr. Roy Bailey (Souris—Moose Mountain, Canadian Alliance): Mr. Speaker, the member knows that I am from a rural area in southern Saskatchewan. I would like to inform the hon. member that I asked for and received some documents from the Farm Credit Corporation about the number of farm closures that would take place because of the situation that had developed because of flooding and the poor commodity prices.

Had the government seen fit to take just a small portion of some of the expenditures the member just mentioned, we could have left many of those young families, if not all of them, on the farm with the hope of survival. At least we would have done something for them and their families. I would like him to comment on that.

Mr. Gary Lunn: Mr. Speaker, the member has raised an excellent point. We have seen the farm crisis. I brought that up when we talked about the TAGS program for the fisher people in Atlantic Canada.

We need to help these people but we need stated objectives. We want to make sure that when we help people that the money we invest in these programs actually reaches them. Unfortunately, it goes down sinkholes and to government patronage programs. Look at the TAGS program in Atlantic Canada; \$2.8 billion later and those people are worse off when the program was shut down than they were when it started.

• (1225)

On this side of the House we in the Canadian Alliance believe there are situations where we are going to invest and help people. We are going to have stated objectives. That is what private member's Bill C-477 by the member for St. Albert proposes: what is our objective, is it going to be effective, is it being delivered efficiently and can we do it better?

That is what this is all about. For the people that need it in circumstances like the farm crisis, yes we will invest in these programs. That money will reach the people. It will not get gobbled up in a bureaucracy. It will not get gobbled up in administration. We will evaluate it and make sure that it is doing what it is supposed to be doing.

We have heard the government talk about all the money it is giving to the farm crisis over and over again. Many of my colleagues are from that part of the country and they have told me time and time again that it is not reaching anyone. These programs are delivered inefficiently and ineffectively. That goes to the core of the problem of the government.

I started off my speech by saying that this is a budget of tinkering and tokenism. The government takes a dollar, gives us back a dime and we are supposed to thank it.

The members in the Canadian Alliance are united more than ever right now about making a difference in the country. They are not going to stop until they do. It is time we brought change to this institution, accountability and credibility. We are going to fight for this to the bitter end and we are not going to give up.

Mr. Rick Borotsik (Brandon—Souris, PC): Mr. Speaker, I appreciate the opportunity to speak to Bill C-32, an act to implement certain provisions of the budget that was tabled in the House on February 28, 2000.

Mr. Speaker, I would like to split my time with my colleague from Cumberland—Colchester. He will be taking half of the speaking time.

It is unfortunate there was not more substance in Bill C-32 with more need to implement more of the provisions that should have been identified in the budget that was tabled in the House on February 28. With budgets, government and governance, the Canadian public is looking for something that is not terribly out of the ordinary and it is not something that is terribly difficult to understand. It seems the government has not had the opportunity to talk to the people in places where they have a tendency to be, the hockey games, the coffee shops in our constituencies.

If we asked the small business owners and other people working in those businesses, it is not difficult to understand what Canadians want. They simply want to have and to hold a job, to earn a living, to educate their children, to buy a house, to have some luxuries, an automobile, and certainly food on their table. They want to be able to earn dollars and to keep and control the dollars they earn.

Unfortunately the budget does not speak to that. The budget still says that if you are a Canadian and you work and you earn money, then the government is going to take that money away from you, because the government knows full well what is better for you as a Canadian citizen and how those dollars should be expended and spent on your behalf. The budget says please do not think that you as a thinking Canadian who can raise that family, keep that job and earn that dollar, know better how to spend those dollars. The government does not believe Canadians are capable of doing that. That philosophy is embraced in the budget that was tabled in the House on February 28. I will speak to that in certain areas.

Also a budget is not simply a financial blueprint; it is a blueprint for the way our society and our country is to grow. It is called vision. I know that word is sometimes overused but certainly it has not gotten through to the members on the government side of the

Government Orders

House. They have absolutely no vision. It was mentioned earlier by the hon. member who just spoke that there was a tinkering in the way they do business. It is true.

• (1230)

I use the term caretaker government. It is a caretaker government with a caretaker prime minister who is simply waiting out his days. He is saying that we should do business the way we have always done business, not rock the boat or do anything new and innovative.

However we live in a new and innovative society. We do not live in the 1950s any longer like perhaps the Canadian Alliance would like us to do. We live in a world now which demands that we compete in a globalized world. It demands that our children be educated to a level and standard that they can compete with other nations in the world, not just simply with provinces or the cities adjacent to them.

The government does not recognize that. It has no vision. It has no vision on education. It has no vision on agriculture. We have talked about that. The budget does not speak a word about agriculture. Agriculture, the food on our tables that we eat, is important to Canadian citizens. People who have families, who have jobs and want to educate their children like to put food on their tables, and that comes from agriculture.

The government has absolutely no understanding or idea where the agricultural sector of society is going. There is no vision. The government puts out false hopes, false statements and false programs. Yet the dollars do not get to where they are supposed to go. My constituents have a real feeling of depression because they do not know what kind of future they have.

Let us talk about the lack of vision in health care. The government stands in the House, pats itself on the back and says that it put \$2.5 billion into health care in the last budget over four years. The \$2.5 billion do not bring us back to a 1993-94 level of expenditure.

Two things are wrong with that. It is not simply the money. It is the vision with respect to health care. The government will not even sit down to work with the provinces, let alone listen to the way it could possibly change the system for the better. It is not prepared to do that because it has no vision and no understanding of where Canadians want to go with that aspect of their lives.

The government has no vision on transportation. Our country was built on transportation, by the rail links, by air and by road. The government does not even know where it is heading with transportation.

Let us talk about Bill C-32 specifically. I mentioned the lack of vision. The government has tried to deal with a couple of areas. One of them was the basic personal deduction. Canadians want to keep their money so they can spend it the best way they see fit. One way to do that is for the government to take less.

It is the Progressive Conservative position that we should have basic personal deductions of \$12,000 per year. That is not much money in today's society but it would be a step in the right direction. However the government takes great pride in increasing it by about \$100 so that under this government Canadian citizens are not given the right to spend their own money.

Let us talk about CHST. It is not simply a matter of the health dollars that are being transferred. As I said earlier, the health dollars are abysmal. The government should be held accountable for what it did to our health care system. The Prime Minister will be known in history as the man who destroyed our health care system. He did it almost single-handedly, although his backbenchers and his government gave him full rein to do so. They too will have to wear that in history.

What would we do with health care? We would do something that is really foreign to the government, co-operative federalism. It used to be that 50% of health care dollars were contributed by the federal government. That has been reduced. In fact there is a provincial government now that is suggesting it could be as low as 11 cents or 11% of health care dollars.

Mr. Hec Clouthier: That is wrong and the member knows it.

Mr. Rick Borotsik: Mr. Speaker, they like to dispute that. Let us say that it is 25 cents on the dollar, which it is not, even with the tax points. Let us assume they can put that forward. I do not think Canadians are gullible enough to believe that, but they will try to put it forward and will try to get Canadians to believe something that is not in fact true.

• (1235)

There are three issues in health care. The first is that we have an aging population. The government does not seem to recognize it, because we are now back to 1993-94 levels of funding.

I have talked about the new global economy. We live in a globalized world. We have technology that we never considered possible. We have it but we cannot afford it because the government is not prepared to work with the provinces and is not prepared to work on the health care system to make it available to Canadians.

As I said, we have an aging population. There is also technology and inflation. We need money in the system but we also need to work with the provinces and we need co-operation. We will not get any of those with this government.

Bill C-32 also deals with employment insurance. Employment insurance is an insurance program for which Canadians pay a premium so that they are entitled to a benefit from the program when required. By law, the employment insurance program is a flow-through, break even program, an insurance program.

Government Orders

The Liberal government collects \$18 billion a year in insurance premiums and pays out \$12 billion a year in benefits. It pockets \$6 billion of our money. Members of the government do it and say that they are wonderful. They pat themselves on the back because they can use the \$6 billion to spend the way they would like to spend it, as has been done perhaps in Shawinigan and in some other mismanaged programs for which they are so famous.

I am sorry Bill C-32 does not contain more substance. Yes, we live in a great country, but Canadians must recognize that we have to protect our standard of living. We cannot protect our standard of living and our quality of life with the mismanagement of this government.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I want to address one specific point. The member announced that the Progressive Conservative Party, as part of its platform, would like to increase a tax credit.

The member referred to it as the basic personal deduction. For the member's edification, it is a basic personal amount, a non-refundable tax credit at a rate of 17%. If we assume a 50% provincial tax rate of the federal tax rate, the equivalent in the pocket for a Canadian would be at a rate of about 25%. The \$5,000 increase in the tax credit the member is proposing would generate \$1,250 in the pocket of every Canadian taxpayer. That is federal and provincial.

The member will probably know that in 1997, the last year Revenue Canada reported on it, 14 million Canadian taxpayers filed income tax returns and actually paid income taxes. Therefore, if what the member is proposing were to be done, it would mean that 14 million taxpayers times \$100 would generate \$1.4 billion of cost.

What the member is proposing would cost the federal government \$12 billion. This is not something to be taken lightly. The member also went on to speak about EI and \$6 billion. Now we are up to \$18 billion. I could deal with some of the other points, but in a very few moments the hon. member had summarily eliminated about \$20 billion of revenue each and every year to the federal treasury to support programs and services.

• (1240)

My question is simple. I understand clearly what the member would like to cut in terms of the revenue base the government uses to support health care and all other supports it provides to Canadians. If he is to cut \$20 billion-plus a year out of the federal treasury, what is he prepared to cut each and every year to ensure that we do not go back into the deficit that his party put us into to start off this mess?

Mr. Rick Borotsik: Mr. Speaker, I would just like to touch on that last comment. The reason we are in this mess is because of a

government led by a prime minister by the name of Pierre Elliott Trudeau. That is where this mess started with respect to social expenditures which, by the way, were funded out of my son's future and my grandson's future. Let us get that straight right now. The whole mess we are in right now is because of a Liberal government and Pierre Elliott Trudeau.

If we went to \$12,000 on the basic personal exemption, we would be—

Some hon. members: Oh, oh.

The Deputy Speaker: Order, please. It is very difficult for the Chair to hear the hon. member for Brandon—Souris who has the floor.

An hon. member: We do not want to hear him.

The Deputy Speaker: The Chair wants to hear him and to make sure that the debate is conducted fairly so that all hon. members can be heard. I know that members will want to hear the answer the hon. member for Brandon—Souris is giving to the House.

Mr. Rick Borotsik: Mr. Speaker, to the lack of substance in the question from the hon. member for Mississauga South, based on a basic personal exemption of \$12,000 as has been suggested, 2.5 million Canadians would be removed from the tax rolls. It is about \$1,200 annually, which works out to about \$2.5 billion.

The government's philosophy is that it can do it better than individual Canadians. We are saying that individual Canadians should be the masters of their own destiny. The money should be given back to them. Something else the government cannot get through its head is that when money is given back to Canadians it generates the economy. It generates more dollars that can then be collected by the tax creatures on that side of the House.

There are anywhere from \$6 billion to \$10 billion a year, but we cannot get a real handle on the numbers because the finance minister and the government will not tell us what is the real surplus. The reason they do not want to tell us the real number is that they hide it and squirrel it away so that they can spend in places where it should not be spent. Those dollars should be invested back into the pockets of Canadians.

Mr. Bill Casey (Cumberland—Colchester, PC): Mr. Speaker, it is pleasure to speak to Bill C-32. I want to focus my remarks on the transportation components of the bill and on how it will impact Nova Scotia. After reviewing certain aspects and terms of the bill and the budget, my conclusion is the bill is tokenism. It is inconsistency and it is backfilling.

When the finance minister completed his budget presentation, it is interesting that he conducted a poll to find out what people

Government Orders

thought of it. He found that the majority of Canadians felt that he did not put enough money into health care, the number one issue on everyone's mind. He did not have to take that poll. All he had to do was to ask me. I did the same thing two years ago in my own riding, and the number one issue was health care by a long margin. Education was second. I was surprised that the finance minister did not have that information and had to take a poll even after he presented his budget.

In the budget he promised \$2.5 billion over five years for health care, education and infrastructure. The provinces have been saying very loudly and consistently in unison that they need \$6 billion a year to maintain the system as it is. The government has let the number one issue for Canadians, health care, deteriorate to such an extent that it is hard to get a doctor in a lot of places. It is hard to get nursing care. It is hard to get into hospital. It is hard to get a hospital bed. In return the finance minister brings this token amount of money, and it is a token amount of money, to the provinces each year. In the case of Nova Scotia, it amounts to about \$15 million or \$20 million a year for extra money for health care, and that is truly a token. One hospital in our province is projected to cost approximately \$40 million or \$50 million. That is one hospital. This budget will give \$15 million to \$20 million a year to the entire province. It is truly a token.

• (1245)

Part of the infrastructure in the bill that the Liberals have touted so much is for highway work. I will read what the transportation minister in Nova Scotia said. He said that the infrastructure program has a highway component to it. Ottawa will provide less than \$5 million per year for improvements to Nova Scotia highways.

This is a real serious issue in Nova Scotia. There is a highway in Nova Scotia called Highway 101. It has more fatal accidents on it per mile driven than any highway in Canada. There is no money to fix this highway. Yet the federal government allots \$5 million a year to Nova Scotia for highway work. Again, in my first remarks I mentioned that this is about tokenism and this is a token amount of money for highway work for our Province of Nova Scotia and all the other provinces.

The transportation ministers of every province have called on Ottawa for a \$17 billion highways program. What does the government come up with? Five million dollars a year for Nova Scotia. It is just a token and it is just literally a joke. Even though revenues from fuel taxes and gas taxes have increased by hundreds of millions of dollars over the last few years, the last decade, this is the situation.

I also mentioned inconsistency in this budget. Again, I come back to Nova Scotia and its highway situation where there is one of the most dangerous highways in Canada. Not only is it the subject of fatalities regularly, but unfortunately the fatalities are mostly young people. There have been 50 fatalities in the last seven years

and most of them were young people. All lives are precious, but young lives are even more precious. For this situation to be allowed to continue is unheard of.

The inconsistency part comes in when we consider that in the next two years, under the federal budget and federal funding programs, Newfoundland, the province on one side of Nova Scotia, will get \$105 million in highway funding.

New Brunswick, on the other side of us, will get \$102 million in highway funding. Nova Scotia in the middle will get zero funding. It is Nova Scotia that has the dangerous highways, the highways that are causing the fatalities.

Certainly, it is totally inconsistent. How can a government say it will give this province \$100 million and that one \$100 million? I read in the paper yesterday that it may give the city of Montreal \$300 million to \$100 million because it has traffic jams. Nova Scotia is saddled with the most dangerous highway in Canada and it cannot get one cent in infrastructure money for that highway.

Again, if we look at the money injected into the provinces on either side of Nova Scotia, New Brunswick got \$465 million between 1987 and 1998 and Newfoundland got \$405 million. Yet Nova Scotia gets zero dollars in the next two years. It is just completely unfair and, again, it is inconsistent.

The amount allotted in the infrastructure program is approximately \$5 million a year and will hardly do any work, and certainly will do nothing to solve the fatal deficiencies in Highway 101 in Nova Scotia.

Another problem with the budget and the past practices of the Liberal government, its practice now and its inconsistency in transferring money and sharing the cost of highways, in Atlantic Canada we have ended up with the only two unique toll highways in Canada on the Trans-Canada Highway. We are the only region that has toll highways, one in Nova Scotia and one in New Brunswick. Why were these toll highways built? Because there was no choice. The federal government had no consistent program of cost sharing these highways.

Again, in the case of Nova Scotia, in the next two years there is no money at all for highway construction. The provinces of Nova Scotia and New Brunswick came up with these innovative plans which have proven extremely unpopular, so much so that both governments which implemented them, the Liberal government in New Brunswick and the Liberal government in Nova Scotia, are now defeated and replaced by Conservative governments in both provinces, much to the credit of their plan to put in the toll highways.

• (1250)

Recently the New Brunswick government eliminated the toll highways. Hopefully the province of Nova Scotia will follow suit,

but at the moment Nova Scotia is the only province in Canada to have a toll highway on the Trans-Canada.

Again, it is because of inconsistent programs with the federal government with respect to highway funding. If Nova Scotia received the same highway funding in the next two years that Newfoundland or New Brunswick received, it could not only build Highway 101, but it could probably take the tolls off the old Highway 104.

The root causes are inconsistent funding, poor planning, and little control. The auditor general said there is no accountability of money given to the provinces. There is nothing in the budget which will address any of these issues. They are going to stay the same. Nova Scotia will continue to be saddled with the toll highway until it has its finances in order so that it can either take care of the highway or the federal government finally comes around and deals with it.

I mentioned backfilling in my opening remarks. I see much of this budget as backfilling. By that I mean it is replacing the vast amounts of money withdrawn from infrastructure, withdrawn from highways, withdrawn from education, and withdrawn from health care, with tokens to try and help soothe the nerves of Canadians. However, in particular with health care, it is not working.

We have seen the provincial health ministers band together in perhaps an unprecedented fashion. They have united, taken a stand and forced the federal government into a corner. I think we probably will see some movement now in health care funding because the provinces are unanimous in their opposition to this budget we are talking about today, they are unanimous in their opposition to the tokenism provided to health care, and they are unanimous in their opposition to the attitude of the Liberal government which allowed our once famous health care system to deteriorate and be reduced to just a shadow of what it used to be when it was the envy of the whole world.

Along with Bill C-32, yesterday the Minister of Transport made an announcement regarding VIA Rail. He has spent years pondering a plan for VIA Rail. VIA Rail is a special interest of his and in the past it has seemed to be even a passion. I really expected that he was going to come out with an innovative plan, at least along the lines of the recommendations made by the standing committee on transport, which made several recommendations. One would think that the minister would follow these and try to resolve the problem.

The underlying root problem of VIA Rail is that it loses about \$200 million a year. There are ways to address that, and one would think the minister would attempt something innovative, something imaginative. What did he do? Yesterday he announced an increased subsidy of \$400 million. That is an increased subsidy of 47% in the subsidies to VIA Rail, but there is no vision. That is just to fix the equipment and infrastructure of the VIA Rail system.

There is nothing new. There is nothing additional. There are no additional services, no additional facilities, no additional

Government Orders

equipment. It is to maintain and upgrade the equipment which has been allowed to deteriorate for so long.

The incredible thing about the minister's announcement is that the government is going to give \$401.9 million to VIA Rail and then the government is going to ask VIA Rail for a business plan with regard to how it is going to spend the money. Can we imagine anyone in the private sector going to the bank and saying "If you lend me \$400 million, I will write you a business plan after you approve it and I will explain how I am going to spend the money". It would not work and we all know it.

Bill C-32, from a transport point of view and from the point of view of Nova Scotia is a budget of tokenism, inconsistency and unfairness.

Mr. Roy Bailey (Souris—Moose Mountain, Canadian Alliance): Mr. Speaker, I would like to add my remarks to those of my colleague, who serves on the transport committee and who is very definitely concerned with highways.

We cannot talk about highways and highway infrastructure without someone from my area adding something to the debate. It is a national disgrace across Canada and no one from any party on any side of the House will deny that. Our highway system is deplorable.

I would like to make this point to my hon. colleague. The province of Saskatchewan has more miles of highway per capita than any other province. I would like to inform the member that if we extract what Saskatchewan will probably get, it is about \$150 million this year.

• (1255)

I would like to explain to the hon. member that if we were to sand-seal only number 13 highway that runs across just my constituency, the \$150 million would be gone. That is the end of federal subsidies to highways in Saskatchewan.

I can assure the hon. member that the amount of money that the province of Nova Scotia is getting is comparable to the pitiful amount that we are getting. There will not be any improvement in highway construction.

Mr. Bill Casey: Mr. Speaker, I thank the member for Souris—Moose Mountain for his remarks. We discuss this issue constantly in the transport committee, both officially and unofficially. The fact of the matter is it is a national disgrace.

What has really gone on in Canada is that highways have not been maintained properly for the last five to ten years. Highways do not deteriorate on a straight line basis, surviving for a long time and then suddenly starting to break up very quickly.

Government Orders

There is actually a highway deficit in this country. It is not on the books of the government, but it is a very real debt and a very real deficit. We owe money to our national highway system. It is going to get a lot worse as these highways continue to deteriorate. Once they break up, the moisture goes down, the frost gets in, heaves them, breaks them more, more moisture and more frost and so on. We are in for a tremendous requirement for money for both our main and infrastructure highways.

My numbers for Saskatchewan are even less optimistic than the member's numbers.

Mr. Roy Bailey: I was being generous.

Mr. Bill Casey: Mr. Speaker, the member is being very generous, as he always is. Saskatchewan has truly not fared well in the highway casino.

As I mentioned, the provinces on either side of Nova Scotia will each get more than \$100 million in the next two years. Nova Scotia gets zip. I have Saskatchewan down here in my information for a big zip, too. Saskatchewan is going to suffer from the same problem as Nova Scotia.

Mr. John Williams (St. Albert, Canadian Alliance): Mr. Speaker, I am pleased to rise to speak on Bill C-32, an act to implement certain provisions of the budget tabled in parliament on February 28, 2000. I do not want to go over in detail the whole bill, but there are a couple of areas on which I would like to comment.

When the Minister of Finance stands in this House and tables a budget about how he is going to raise or lower taxes, how he is going to spend on new programs and how he is going to eliminate other programs that are obsolete, one would think as the chief financial officer of the organization that he would have his figures down pat and would know what he was talking about.

Part 4 of the budget implementation act deals with enabling 13 first nations identified in the schedule to impose a 7% value added tax. The rest of the country has the equivalent tax called the GST on fuel, cigarettes and alcohol. Now certain first nations are being given the responsibility to collect 7% as well.

I want to point out a couple of things. The 7% GST goes to the federal government. The 7% that is going to be collected under this act is going to the first nations that will be collecting the money. There are no regulations about how this tax is to be administered. It only stipulates the right to collect it, no doubt because under this Liberal government the first nations have been given in essence sovereign powers to pass legislation in their own right. We have to concern ourselves about the regulations and how this money is going to be split between the federal government collecting GST and the first nations tax.

• (1300)

I had an occasion to stop at a gas station on a first nations reserve. My gas bill was approximately \$31. It was before gas prices peaked in the last few weeks.

The guy in front of me paid for his tank of gas, which cost him \$12 because he did not have to pay tax. After he had paid his \$12 to fill his tank with gas, he bought cigarettes. Lots of people buy cigarettes, but it seemed to me that the typical purchase of cigarettes on the reserve was \$130.

Behind the counter they had these little plastic shopping bags full of the standard purchase of cigarettes, so that when somebody was buying cigarettes they would get their \$130 worth, which to you and me, Mr. Speaker, or anybody else who would have been buying the cigarettes, might have been worth \$300.

I said to myself, other Canadians do not normally buy \$130 worth of cigarettes at a time, any time I have seen people buying cigarettes in a store, so why would it be that the standard cigarette purchase would be \$130, tax free? I wonder, because I have no proof of this, if it is because it was next to a large city and perhaps these people had a ready market for these cigarettes. Maybe not, but perhaps. It is worth thinking about.

As these cigarettes are purchased on the reserve by status natives, the transaction is legal, according to our laws, but the second transaction, if they sell them on the street at more or less the going price for others, then that is illegal and the Minister of Finance is losing out on his tax collection, if that is happening.

Now that we have instituted this tax we will have the same store collecting 7% in GST from Canadians and 7% on the alternative tax from the natives who have the card which they can produce. It is the exact same amount of tax. How will the Minister of Finance be able to determine whether that tax should be remitted to the Department of Finance or whether it should be kept by the band for its own use? There are no regulations attached to this bill. As I mentioned earlier, because they are largely sovereign, I think they could tell the minister that they will write their own rules as to how they will collect the tax. I am fairly sure we will not see very much GST money. I gave the example of the cigarettes. That disturbs me, because I spend, as chairman of the public accounts committee, a lot of time focused on the area of bribery and corruption.

When there are loose rules that are open to interpretation, open to management, open to subtle bookkeeping and other opportunities, it then starts to dribble down through the holes in the floor and we lose sight of it. That concerns me because it allows people to develop bad attitudes toward paying taxes, being honest, having high morals and ensuring that everything is honest and above board. I am seriously concerned that we are providing these opportunities and challenges. It bothers me immensely.

Government Orders

Continuing in the same vein, with respect to the Minister of Finance collecting the taxes and ensuring that Canadians get value for their money, the auditor general tabled a report this week which had nine chapters. One of them dealt with elementary and secondary education by Indian and Northern Affairs Canada. I really want to put the emphasis on the question: Are we getting value for our money?

An hon. member: That is a good point.

Mr. John Williams: It is an excellent point, as my colleague says. The auditor general said that the department does not know how much money is being spent by the first nations on education because it gives block funding to the first nations, who then provide education. The department has the responsibility to provide that education money, but it does not know how much money is ending up in education. It may be ending up in welfare. It may be ending up in someone's pockets. It may be ending up somewhere else because the department does not know how much money is being spent on education.

• (1305)

The report covers a number of horrifying things. In paragraph 4.72 the auditor general writes:

We further observed in one departmental region that a master tuition agreement between the Department and the provincial Ministry of Education had expired in 1992—

This is the year 2000. That was eight years ago. The agreement had expired. No one had really bothered to do anything about it. They just wrote the cheques and carried on.

What about things such as special needs? We are concerned about special needs. However, the department does not know whether special needs students are being appropriately identified or assisted. Special needs students are those who are psychologically disadvantaged or who have learning disabilities. We agree with that, but because of the reported lack of diagnostic expertise on the reserves, the auditor general believes that the potential for under and over identification of these students is high.

In addition, the department does not know whether all funding provided for diagnostic and remedial services is actually used for this purpose. The department does not know. In one region this amounts to \$581 per student. Take note of the \$581, per student year, for all students. Furthermore, the department does not know the length of time the students are maintained in special needs status. This makes it more difficult to identify opportunities for improved services in another region, where costs range from \$2,047—remember that I said it was \$581 in one region, and now it is up to \$2,047 in another region—to \$65,650 per special needs student, and there is no process or mechanism to ensure that the students' needs are being served.

I have a problem with these kinds of numbers. In one region special needs students are getting \$581 and in another region they are getting \$65,650 per student. Should we not be asking the question, what is going on? There was no process or mechanism to ensure that the students' needs were being served.

The Minister of Finance collects taxes and he gives the money to the Minister of Indian Affairs and Northern Development, and the minister does not have a clue about what is going on in his department. We know what happens with the minister of HRDC. We have said many times in the House that she does not have a clue, and now the Minister of Indian Affairs and Northern Development obviously does not have a clue.

What about the lack of education funding agreements? I mentioned one region that did not even have one. In one region they noted 244 instances where they expected to find agreements between first nations or the department and provincial educational authorities to cover student enrolment in provincial schools. However, the department was able to identify agreements in only 58 cases. There were 244 instances where they expected to find them, but they only found them in 58 cases. Further, the department did not know whether any agreement was in force in 128 cases, and determined that no agreements existed for the remaining 58.

What is going on, Mr. Speaker? Do you not think we are entitled to ask legitimate questions about what is going on? Does the department know what is going on? Or, should it just admit that it does not know what is going on?

Our first nations are at the bottom of the economic and social ladder in the country. We surely have some obligation to help them take their place in the economic society we have built and to provide some prosperity for them.

• (1310)

Native people watch the television ads which sell everything from soup to nuts, cars, TVs, television programs and so on, but they cannot have those things. All they have is a welfare cheque that we hand out because they do not have the education required to take a job, which would provide meaning in their life, which would provide purpose in their life, which would motivate them and give them the ability to understand this complex world. If they could acquire that education they could work with computers, such as we have in front of us. Native people cannot do that. The department does not even know if they are going to school.

Paragraph 4.2 of the auditor general's report indicates that the percentage of natives who are not enrolled in elementary or secondary schools is 20%. The figure is not available for all Canadians. The dropout rate before completion of grade 9 in native schools is 18%. The figure for all Canadians is 3%. The percentage of youth between the ages of 18 and 20 who left school totals 40% for natives, 16% for all Canadians. Of youth between the ages of 18

Government Orders

and 20, only 30% of natives graduated from school, compared to 63% for all Canadians. The population with the least high school education amounts to 37% on reserve and 65% for all Canadians. Only 30% of the native population graduates from high school and it costs taxpayers \$1 billion a year. Only 30% succeed in meeting the basic fundamental requirements.

The minister does not have agreements with the school boards. The minister gives block funding to the bands and does not ask them to account for the money. Agreements expire and he does not follow up on them. Kids are dropping out of school and he does not know how many. The department is a disgrace.

The Minister of Finance stood in the House on February 28 and said that the government was going to tax Canadians. The government continues to tax Canadians so that money can be given to the Minister of Indian Affairs and Northern Development, who in turn does not know what he does with it. He has no clue. Unfortunately, he is not the only one.

In the news the last couple of days we have heard much about the scientific research tax credit. The idea was to motivate Canadian companies to do research and development, and a tax credit would be provided to them because this was good for Canada. It was good for Canada. We got an extra \$50 million punch out of it. The bad news is, it cost \$2 billion to get the \$50 million punch. For every \$40 spent, we received \$1 back. Where is the logic?

I do not know where the logic is, but I do know that in 1997 the Minister of Finance had an evaluation in front of him, telling him that for every \$40 spent the government would receive \$1 in return. The minister kept the study under wraps. In 1997, 1998, 1999 and again in 2000 he stood in the House and said "We are providing value for money for Canadians". In the meantime, for every \$40 the taxpayers put into this program, they got \$1 back. I cannot understand it.

How bad is it? Let us take one particular claim as an example. It was a complex claim. Why? The taxpayer did not provide a lot of documentation to say what he was trying to do.

• (1315)

Revenue Canada sent in the auditors who spent 10,000 hours looking at this claim. The average person works about 1,700 or 1,800 hours a year; throw in some overtime and call it 2,000 hours a year. That was five years of auditors' time on one claim. There are 16,000 to approve. When are they going to finish? They spent 10,000 hours on one claim.

They had to get some scientific expert advice. They spent \$300,000 of taxpayers' money to get a professional opinion on this claim because it was not well justified. The claim finally went through process. They said that the particular claim was entitled to

tens of millions of dollars. We are not sure how many tens there were. Presumably somewhere between \$20 million and \$100 million is what was paid out. In the final review they scratched out the millions and doubled it for no particular reason.

Let us look at the rationale. This is how crazy the rules are and how the taxpayer gets taken to the cleaners.

The subcontractor did the research and development. He put in his claim and got his refund of tens of millions of dollars. It was in the bank. He sold the R and D to the main contractor who said "This is research and development done in Canada, send in the claim". He got it again. The rules allowed him to get it again. The reason it was doubled was it had to approximate the claim by the general contractor.

Even though the subcontractor was audited and all the information in its own files said that the subcontractor was entitled to so much money, the main contractor had approximated and exaggerated the claim. It was "unable" to verify that because the main contractor did not have the files. They were in the subcontractor's office which had been audited by Revenue Canada but Revenue Canada said it could not look at the file a second time. Knowing full well it was paying out too much, it had to go with the main contractor's estimate and exaggeration.

The taxpayer paid and the Minister of Finance did not even blush when he stood in the House and said he needed \$165 billion to run this country. I know and members know he could do it with a lot less.

Mr. Roy Bailey (Souris—Moose Mountain, Canadian Alliance): Mr. Speaker, members of the House, people across Canada and I should thank my colleague for drawing our attention to a very serious problem.

The second school I happened to teach in was in northern British Columbia. The attendance was near perfect. The expenditure of funds was letter perfect. For 21 years my signature went on forms to extract money from taxes and government grants for special education students. Whether it was in the Hutterite schools or in private schools that I supervised or in the public schools, whenever a claim was made for a special needs student, solid proof was needed that the money was being expended on that particular student.

• (1320)

The situation that exists within my province and across Canada is a sin against geography and the nature of government. These children who are just as important as any child I ever had in front of me or supervised are not getting funds spent on them for education. What will we do? One word can sum up the last 20 years: nothing. Nothing has changed and it is getting worse.

Government Orders

I want to thank my colleague for drawing attention to this situation. With the billions of dollars going out on these expenditures, what does the hon. member recommend that the government re-examine during the current fiscal year?

Mr. John Williams: Mr. Speaker, I appreciate that question because it allows me to wax on my private member's bill that I tabled this morning. It deals with program evaluation. Providing education to our young kids on the reserves is another program provided by the government.

My private member's bill says that on every program provided by the government, including education to our natives on reserves, we should ask four questions. The first question is what is the program designed to do? The goal is to provide educated children on reserves. The second question is how well are we achieving that? We will have to move further through the alphabet than *F* to find out how the government is doing it.

Mr. Roy Bailey: *F* minus.

Mr. John Williams: Mr. Speaker, it would be *F* minus half a billion dollars I would think.

The third question is, is it being done efficiently? I pointed out that agreements had expired in 1992 and it never bothered to get them renewed. The government does not have a clue. There is no efficiency. There is no productivity. The department's mind is in a fog. The minister's mind is in a fog. Nobody seems to care.

What about the student who is not getting an education? He or she should care and we should care. We care and the government should care.

The fourth question is can we achieve the same or better results in a different fashion? We must always be creative in seeing if we can improve ourselves.

There are four fundamental questions: what is it we are trying to do, how well are we doing it, are we doing it efficiently, and can we achieve better results in a different way? If we asked these simple four questions for native education and everything else, we could provide many more services for much less cash.

Mr. Deepak Obhrai (Calgary East, Canadian Alliance): Mr. Speaker, it is a pleasure to speak on behalf of the Calgary East constituency. This is my second speech on the budget. I have chosen to speak on this topic again because I would like to tell the House what my constituents and other Canadians have been saying. My remarks are based on two concepts.

The first is what constituents are saying are their two major concerns. Time after time the phone calls I receive have one theme, that people's take home pay is dwindling. People are having a hard time making ends meet. One of my constituents wrote, "We love

our work but we are always in a financial bind due to low wages and no recognition of our qualifications and college degrees". Despite having a college degree all she earns is \$7.50 per hour.

• (1325)

I understand it is quite difficult to tell a business to raise wages. But a lot of our money disappears into the government coffers. It is interesting the way the whole taxation system is designed. We take it at one end and then we go around in circles and try to send it back in another way, and either we tax them or we say that we do not tax them and that we are taking care of the lower income workers. At the end of the day, at the time when people need the money which is when they get their weekly paycheque, the money is gone. It takes months for the money to come back to them at the other end. In between what are they supposed to do? How are they supposed to live?

My riding is made up of blue collar workers, single mothers and parents trying to send their children to school. When I go knocking on doors I hear time after time, "I am earning \$30,000 and I cannot make ends meet. I am paying so much in taxes". Many government members have said to me "No, no, we are taking care of all these things". True, it comes back through social outlets such as cheques for family allowance, child care, GST refunds and all those things. The GST refund can take four months. What are they supposed to do until then?

Why can the government not address the issue for single parents, growing families and those who are earning low wages? Why not give it to them up front so they have more take home pay?

I have a letter from another individual in my riding. He asked for a T-1 slip. He had to go through a huge bureaucracy. Revenue Canada said he had to fill out so many forms and the guy just said to forget it, that he was not interested. The paperwork burden in the taxation system is so humongous that people are fed up. I have heard time and again "I am not going to respond to Revenue Canada. I am not going to fill out all the paperwork".

A constituent phoned me, a pensioner, who said on the one hand the government gives money to pensioners and then, bingo, Revenue Canada needs \$248 back right away. For what? He got phone call after phone call and letter after letter until he was fed up. We intervened and the matter was resolved, but why did it not get resolved in the first place?

The finance minister has said that we have not been asking questions about the budget because he thinks the budget is great. Perhaps the poll which came out today indicates why the opposition has not been asking the finance minister questions on the budget. There is nothing to ask. He will talk about budget cuts and all those things but we know, Canadians on the street know, and

Government Orders

students know that when they look at their paycheques and when they look in their pockets, their take home pay is less.

It does not agree with what the finance minister is saying. It is better to tune out what the finance minister is saying than to listen and ask where is the tax break he is talking about. He gives a tax break, but at the same time CPP premiums are hiked up.

Look at EI. Surplus after surplus is going into the EI fund that the government is using to spend in other areas. It will not even reduce the EI premiums. How will Canadians feel? Will Canadians actually get the feeling from their take home pay that taxes are going down when the government is set on spending?

• (1330)

We have people in the government who have their own agendas. Our heritage minister wants to be recognized as the Canadian cultural protection person. She keeps writing out cheques, cheque after cheque, and doing her best, but what do we hear on the streets? We hear on the streets from Canadians that their take home pay is shrinking.

Let us go to the issue of the economy. I am critic for international trade, so what happens in the economy is quite important and of concern to me. I have been on many trips to see how Canadian trade officials have been working hard to promote trade in Canada. That is one of the areas of prosperity for the country.

Time after time the Minister for International Trade boasted in committee and everywhere that 43% of our GDP is in the export market. That is great. I applaud him for that. I hope it goes higher and higher. After all, it helps the Canadian consumer and it brings prosperity to Canada.

I give credit to our trade officials, those who are in the field and have been working very hard to ensure that Canadian companies are out there seeking the opportunities that globalization has opened for them. I commend them. I have seen them hard at work. I have seen Canadian companies working hand in hand with these people, promoting the goods and technology that Canadians have developed.

The subcommittee on international trade is now studying how to improve trade with Europe. As we know, trade with Europe has been gradually declining. It is improving but not to the level that we thought it should have improved.

All this points to the fact that there are people who recognize the need for Canadians to be taking advantage of globalization. If there are problems at home with Canadian companies which we have not fixed, how will we market ourselves outside the country? If the foundation at home is not strong, what is the point of trading outside? Somewhere down the line it will crack.

We have free trade agreements through NAFTA with Mexico and Chile. We are trying to get agreements with Costa Rica and other

countries. We have seen the demand coming in for Britain to join NAFTA. These are all good things. They are great things, but we need to address the issues at home.

Time after time new cries are being heard that there is a need to address the issues at home and the need for productivity. The biggest one is taxation, the way we are taxing our companies. The way our economy is being overtaxed leaves little room for companies to aggressively seek foreign markets.

Let me quote here for a second an editorial in the *Globe and Mail*. Where it says country, I will substitute that by saying the past government was too dumb to understand that 25 years of high deficits would lead to a debt and tax crisis and maybe too dumb to understand that another 10 years of uncompetitive taxes and regulations would lead to a permanently reduced standard of living.

Let me read from the Calgary *Herald* of today, written by one of the CEOs of Alberta Energy Company Ltd. He said that Canada looked good but was moving too slowly. Perhaps the finance minister should read the article which contains that warning from an executive of a very important company in Alberta.

• (1335)

All of them have one simple straightforward message: taxes are too high. If the government does not address that issue and take it seriously, 43% of GDP in exports will start going down. Canadians will be unable to take advantage of the globalization of economies that is taking place.

Our ambassadors, including the minister of trade and I, travel around the world pushing to expand trade. We sign agreements but if at the end of the day there is no competitive advantage for Canadian companies, what is the point? They must be able to take advantage of market opportunities. The government is not selling the products. It is the Canadian companies that are selling them. They are the ones who are out there selling their products.

We talk about the greatness of Bombardier, SNC-Lavalin and other big companies. At the end of the day we look at the companies that do the majority of the exports. We could name 10 of them. That is all. Big companies like Bombardier, SNC-Lavalin and mining giants are the few that are on the international market. If we want to have prosperity we need small and medium size businesses. Everyone knows that. I do not have to repeat it. Everyone talks about it. Everyone says they are the vehicles of growth and that is what should happen.

Time after time when we talk to them they express concerns. They do not have the infrastructure or the competitive advantage to go out and grab these opportunities. The Americans are doing it and now we have the European Union with its \$500 billion market. They take advantage. Canadian companies need to be aggressive.

We are saying that Canada should be the route for European companies into NAFTA, into the U.S. market. That is a great idea. It is fantastic if we can do it. At the end of the day, if taxes in Canada are not reduced, competitiveness will not be there. How will we become the conduits that we aspire to be and our trade officials want us to be?

It is time the Minister for International Trade had a talk with the Minister of Finance and said that something should be done. There is no point in each one going in different directions. Then the industry minister, who recognizes what is happening, tries to speak out but his chain is pulled back.

Canadians are worried. Today's polls indicate the priorities of Canadians. Health care is a priority of Canadians. Irrespective of what the government wants to say, every Canadian knows that it is the federal government that cut the money. This is creating the crisis in the health care system across the country. It is the number one concern, and rightly so. Why should it not be? The population is getting older and is looking down the road to see that health care will not be there when it will be needed.

This is a government run by polls. Everything it does is by polls. Maybe it will wake up and address this issue. I am sure it will. Today's poll said that Canadians want the federal government to put more money into health care.

• (1340)

We know what happened when the industry minister tried to give money to professional hockey. I am glad that Canadians spoke up about it. That is what Canadians should do.

Let us talk about health care for a moment. There is a hue and cry about bill 11 in Alberta, saying that it is an attack on health care. We listen to the grandiose statements of the Minister of Health. He is a lawyer, after all, so he can use the flowery words he loves, but at the end of the day the point is that the government cut money for health care.

This has created a crisis for the provinces. They are trying to address the needs of their constituents. The federal government is saying that this is the money the provinces will get and that is about it. There are millions of dollars sitting in Toronto which have not been used, but we are asking for long term solutions. We are asking for stable funding on which the provinces can count so they can address their health care needs and not deal with the business of either a reduction in the budget or little more than crumbs.

There is no stable funding for the provinces so they cannot address long term health care needs and issues. When they come up with a solution we hear the government screaming. I would like to state that it is very important for the government to address what the economy is demanding. The budget has not addressed it. We all know that.

Government Orders

The Canadian Alliance, with the proposal it is putting forward in the 17% solution, addresses many issues. Why do we propose the 17% solution? It is because we have heard from the grassroots. We have heard from businesses. We have heard from Canadians who have told us their priorities. The 17% solution we are talking about is something Canadians want. Hopefully when we form the next government that will be the solution.

Hon. Ronald J. Duhamel (Secretary of State (Western Economic Diversification)(Francophonie), Lib.): Mr. Speaker, I have been here for most of the morning listening to the speeches of opposition members. I find them rather interesting. I snuck out to see what the news media across the country were saying about the budget. Overwhelmingly it is positive. There are articles questioning a number of aspects, but it has been overwhelmingly positive.

Perhaps my colleague could explain to me why it is that all the speeches given by members of the opposition were negative. Perhaps he could explain to me why one positive point was not raised. Perhaps the member could explain to me why none of his colleagues chose to talk about the investments the Government of Canada made in the granting councils, the Canadian Foundation for Innovation, the millennium scholarship and the 2,000 chairs.

Why did my colleague not talk about the elimination of the \$42 billion deficit left by the Conservatives, the very party that his wants to join in order to make it stronger? Why did they not talk about the \$58 billion tax reduction or the tax reductions for businesses? Why did they not talk about the UN naming Canada seven times in a row as the best country in the world in which to live?

Why did they not talk about the low inflation rate, the low interest rate, the employment rates which are the highest in decades, and the first series of surpluses we have had in years? Why? Can they not stand positive news?

• (1345)

Mr. Deepak Obhrai: Mr. Speaker, the hon. member is right in saying that this is the best country in the world, but if the Liberals continue to govern for very long, it will not be the best country in the world.

It is quite interesting that he would ask why we are not saying good things about the budget. I will tell him why. If we ask Canadians what has happened to their take home pay, perhaps we will get an answer that will tell him why nobody in the opposition is so thrilled about the budget.

We could look at today's poll and ask the people who want health care. The hon. member's government is the one that killed the health care budget. I am sure those people will tell him why nobody is so excited about the budget.

Government Orders

With regard to reducing the deficit, that was done on the backs of Canadians and not on the government's back. It did not come up with any innovative ideas. Instead it has set us back. It is just flying straight. Nothing great has come out of this. The budget deficit was killed on the backs of Canadians. Ask them about their take home pay. They have seen it go down and down. That is how the budget deficit was killed. There is nothing to be very excited about there. Let us listen to what Canadians are saying and address the issues.

As I said, 43% of our GDP is now in export. Great, but it will not last very long if you do not address the issues. Now you sit sit over there and claim that the government is doing great. It will not last too long.

The Acting Speaker (Mr. McClelland): I need to remind hon. members that when passions get raised, they should address each other through the chair so we can keep from coming to blows.

Mrs. Diane Ablonczy (Calgary—Nose Hill, Canadian Alliance): Mr. Speaker, I was very interested in my colleague's remarks about tax reductions. I know that he mentioned how families need tax reductions and tax fairness. I would be interested in having my colleague expand on his views about the needs for Canadian families to have some tax relief from the load that is placed upon them by the federal government.

Mr. Deepak Obhrai: Mr. Speaker, I thank my colleague for stating that absolutely correctly. Solution 17 addresses that point. Let me just read what solution 17 is going to do for families.

Solution 17 will create a marginal rate of 17%. It will increase the basic personal and spousal credit to \$10,000. It will introduce \$3,000 per year per child. It will decrease the EI rate to \$2 from \$2.40. I see every member on the other side has disappeared. I guess they do not like good news either.

Solution 17 will reduce the capital gains tax to about 20% from nearly 40%. This is what Canadians are demanding. It will address the issue of families trying to put food on the table.

The Acting Speaker (Mr. McClelland): On questions or comments, the hon. member for Souris—Moose Mountain, who I am sure will not refer to the absence or presence of other members in the House.

Mr. Roy Bailey (Souris—Moose Mountain, Canadian Alliance): Absolutely not, Mr. Speaker. I congratulate my hon. colleague not only for his presentation but for his response. I want him to agree with what I have to say about this because it is a very tenuous issue.

We talk about increasing funding to the attorney general's department. Within that department at the present time we have taken over 300 RCMP officers off the street to engage in gun

registration at a huge expense. Does my hon. colleague think that is a good way to spend money, registering guns by taking officers off the street where we need them?

Mr. Deepak Obhrai: Mr. Speaker, what my hon. colleague has said is just one example of the waste of money that has been going on. The government has the wrong priorities. We need officers on the street. The auditor general has talked about tools not being available to the RCMP. We are now taking the RCMP away from the job of keeping our streets safe and putting them into looking at a registry. That is a burden on Canadians, a waste of taxpayers' money and will not address the situation.

• (1350)

This is the same as the \$1 billion boondoggle with the grants and contributions in HRDC. The government is giving money on one side and taking money on the other, perhaps giving it to their friends. Businesses with government connections are doing very well compared to those which do not.

Mr. Rick Laliberte (Churchill River, NDP): Mr. Speaker, it is an honour to have an opportunity to speak to Bill C-32, the budget implementation act, 2000.

Canadians expect budget 2000 to be a highlight and a major departure from where Canada has been with regard to fiscal restraints in this country. However, there has been a major oversight by the government regarding health, education and social transfers.

In recent years the provinces time and time again have been backfilling the many cutbacks and program reviews that the Liberal government has so steadily and efficiently deployed, all in the name of fiscal restraint, debt reduction. Health care is a major social structure component of Canadian livelihood. Education in Canada is a major challenge for us.

Canada is a vast country. Major changes have happened in our lifestyles, such as the role of families on family farms and the small remote communities in northern Canada. People want jobs with higher incomes such as can be found in the high tech environment, but these may only exist in large urban centres. With the evolution and revolution of technology through the Internet and so on, these jobs could inevitably exist in remote communities. One does not necessarily have to be a major stock market player in downtown Calgary. This may eventually be done in Cumberland House.

If someone wanted to trade some fresh fish from the Athabaska Lake or Great Slave Lake, they could hook up on the Internet and trade with Hong Kong, Germany or wherever. We have to look into the future and the whole aspect of the technology revolution and restructuring Canadian society.

Students visit Parliament Hill from many different high schools from all corners of Canada. This has been a major highlight for many of them. We must empower them. We must give them an opportunity to dream of developing a better life in their communities in Canada. We must provide them with the resources.

We must provide them with budgets, not empty bank accounts, when they take their rightful place in society. They may be in this place or they may become legislators in their provinces. They may find their place as mayor or in the council rooms of their cities and villages. They may take their elected place on band councils in their first nations government.

• (1355)

These young people have to be given hope and there is no better place than in Canada. We must keep from dismantling our social structures, things like medicare, health care and affordable drugs. With regard to education, there is the high cost of student loans, deteriorating universities, infrastructures, and first nations education on which a report was released this week.

A previous government put on post-secondary caps, limits on first nations accessibility to post-secondary education. What dreams do the high school students and the junior high school students have when they see that only a selected few will be able to continue their journey to higher education? We need to motivate them and give them an opportunity to dream for a better future. This requires strategic financial investments.

The program reviews—I must applaud the government—are now history. We must acknowledge that there are no more cutbacks like the \$104 million cutback in the national parks. Not a cent of that cutback has yet been returned to the national parks system in the country. None has been announced.

We have a major initiative for our young people when they graduate. A program exists for them if they are uncertain where their careers are going or where their journey of education is going. The program is called Katimavik. It is a very worthwhile program for youth in the country.

The demand has been growing exponentially as successes grow in each community and region. More people want to have access to these community projects. Volunteers come from all over Canada to work on these projects. The Katimavik program makes it possible. There was no increase in the funding for Katimavik. They work on environmentally sensitive issues and on community programs that will not exist.

The Speaker: The member still has 14 minutes left in his talk. I thought this might be a good place to interrupt. It is almost two o'clock and it might allow us to get an extra statement in before the

S. O. 31

end. He will have the floor when we resume debate after question period.

STATEMENTS BY MEMBERS

[*Translation*]

NATIONAL VOLUNTEER WEEK

Mr. Claude Drouin (Beauce, Lib.): Mr. Speaker, National Volunteer Week is an opportunity for all Canadians to pay tribute to the millions of volunteers who improve the lives of their fellow citizens every day. The contribution they make helps our communities to remain strong and is important in maintaining the quality of life of all Canadians.

I am now actively working on developing a community program to provide direct assistance to all volunteer organizations. Their needs remain great, and we must do more to help them.

I hope I will have the unanimous support of all political parties here in the House for my private member's bill.

Let us thank all these volunteers from the bottom of our hearts. I take this opportunity to invite all parliamentarians to attend the opening reception of the Volunteer Canada exhibit tomorrow at 9.30, in Room 200 of the West Block.

* * *

[*English*]

VIA RAIL

Ms. Val Meredith (South Surrey—White Rock—Langley, Canadian Alliance): Mr. Speaker, yesterday the Minister of Transport predicted the revival of passenger rail in Canada when he announced an additional \$400 million in funding for VIA Rail.

However, let us look a little closer at the announcement. The Liberals have to put the money into VIA. After all, the government provided a billion dollar loan to the American passenger rail system Amtrak.

The minister says the loan will get commuters out of their cars and on to the train. The only problem with this is that VIA Rail does not operate commuter rail. The regional transit authorities do.

The minister says that privatization would not work. Can he explain why the Rocky Mountaineer, a profitable private company that has never received a penny in government subsidy, would like to buy VIA Rail's transcontinental route?

S. O. 31

While the minister is correct in stating that trains helped build the country, we need to remind him that train travel has changed over the last 120 years. It is too bad that the government's thinking has not.

* * *

• (1400)

VOLUNTEER WEEK

Mr. John McKay (Scarborough East, Lib.): Mr. Speaker, as we mark Volunteer Week this week, I want to acknowledge an organization in my riding that runs on volunteers.

West Hill Community Services was incorporated in 1977 by a caring and committed group of volunteers with a common goal: to improve the quality of life for all persons within Scarborough East. They did not choose to focus on any disadvantaged group, but rather to choose a holistic approach and encourage volunteers to help all social groups and all ages.

Today over 800 volunteers deliver 64,000 volunteer hours annually to the West Hill Community Services. Churches, schools, Boy Scout and Girl Guide groups and service clubs facilitate drives that provide services for 9,000 families on an annual basis with food hampers and great toys for kids. On an annual basis 1,800 meals, prepared by volunteers, are delivered to homebound people. Volunteers transport frail elderly—

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

* * *

[Translation]

CHRYSLER CUP

Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.): Mr. Speaker, from April 12 to 16, the Abitibi-Témiscamingue region will be hosting hockey teams from throughout Quebec as part of the Chrysler Cup tournament.

Some 226 teams will be taking part in these provincial ice hockey championships in 13 cities in the region. The organizing committee chaired by Louis Blanchette from Malartic has put almost two years of work into making this event a success.

My thanks to the organizing team: Louis Blanchette, Robert Meunier, Robert Larochelle, René Boucher, Pascal Pelletier, Régis D'Amour, Jean-Gilles Racicot, Gilles Laperrière, Joël Lacelle, Pierre Dupuis, Marc Moreau, Daniel Asselin, Serge Demers, Laurent Demers, Mariette Brassard, Audinette Gagnon, Jean-Claude Babin and André Lalonde.

My thanks also to the 2,000 volunteers, 4,436 athletes and 932 escorts and visitors. And we thank the Government of Canada for taking part and helping young Quebecers.

* * *

[English]

FULLARTON BOOK LAUNCH

Mr. John Richardson (Perth—Middlesex, Lib.): Mr. Speaker, as part of this year's ongoing millennium celebrations, I want to congratulate and thank everyone who participated in the Fullarton history book launch this past weekend. Entitled *Water under the Bridges: The Story of Fullarton Township*, this 950 page book examines the significant people and events of the last 150 years that helped define the area.

Participants to the book launch were entertained by guest speakers and local performances, including bag piping, gospel singing, solo violin and theatrical performances.

My special gratitude goes to the 22 member history book committee, especially the chair, Jean Park, who for the last three and a half have been working extremely hard to see that this project was a smashing success. Congratulations to all.

* * *

HEALTH

Mr. Bob Mills (Red Deer, Canadian Alliance): Mr. Speaker, this government has received a failing grade on its health care spending. The finance department conducted a survey that found nearly 70% of all Canadians feel that not enough money was put into health care funding in the last budget.

The provinces have pleaded with Ottawa to restore funding levels. The federal government countered with a lame tax point strategy that is deliberately confusing and causing irreparable damage in federal-provincial co-operative relations.

The federal government talks about solving the problems of health care but no plan has been put forth. The provinces have programs in development. The provinces have programs in effect. What they need now is a funding commitment which will allow them to proceed with assurances that health care funding will be stable.

This government's actions have done little to assure Canadians that this is something they can count on.

The Speaker: I ask hon. members to stay away from the word deliberately. It always causes a reaction.

INVESTOR EDUCATION WEEK

Ms. Bonnie Brown (Oakville, Lib.): Mr. Speaker, if our young people are to be educated consumers of financial services, it is important they have access to the most up to date Canadian information about today's financial world.

To meet this need, the Canadian Bankers Association spear-headed the development of YourMoney Network, an integrated network of websites that contains neutral information for Canada's youth. This initiative was developed in a partnership among the Canadian Bankers Association, the Bank of Canada, the Royal Canadian Mint, the Investment Funds Institute of Canada, the Ontario Securities Commission and the Toronto Stock Exchange and was launched last year.

As part of this year's Investor Education Week, the YourMoney Network is introducing a new online resource guide with over 800 financial topic resources and five new partners.

This is an outstanding initiative of Canada's banking industry that will ensure Canada's youth are well prepared to make wise decisions about their own financial futures.

* * *

• (1405)

[Translation]

FONDATION QUÉBÉCOISE DU CANCER

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I would like to pay tribute today to the Fondation québécoise du cancer, a non-profit organization whose main mission is to improve the quality of life of those with cancer, and their families.

The foundation has developed a comprehensive approach to the problems cancer causes for families. It has therefore developed training and awareness activities for health professionals, and it provides cancer patients and their families with information, support, documentation, and accommodation while they are receiving treatment.

The foundation has been in existence for 20 years now and has taken on a lead role in the battle against cancer, with decision makers, the media, the health system and the general public.

The Fondation québécoise du cancer never hesitates to make public statements and make its position known on any matter relating to the fight against cancer. My greetings to the foundation and my thanks to all of its volunteers.

S. O. 31

VIA RAIL

Mr. Raymond Lavigne (Verdun—Saint-Henri, Lib.): Mr. Speaker, I would like to congratulate the hon. Minister of Transport on the occasion of his announcement of a new set of measures providing \$400 million to revitalize VIA Rail over the next five years.

By offering a transportation option that is stable, safe and environmentally friendly, the enhanced passenger service will contribute to lessening highway congestion and greenhouse gas emissions.

As well, VIA has the largest rail maintenance shop in Canada, providing employment to more than 400 people in my riding of Verdun—Saint-Henri, which encompasses Pointe Saint-Charles, an area where unemployment is still very high.

The announcement of this investment brings a ray of sunshine to a still snowy area.

* * *

[English]

FOREIGN AFFAIRS

Mr. Leon E. Benoit (Lakeland, Canadian Alliance): Mr. Speaker, it is shocking that the Prime Minister would place the safety and security of Canadians at risk to cover up his own diplomatic foul-ups.

The auditor general's recent report makes it clear that the government is currently incapable of dealing with 15,000 refugees from Palestine without seriously compromising the safety and security of Canadians. He says "We noted serious deficiencies in the way it applies admissibility criteria related to health, criminality and security".

The current mismanagement of the immigration department virtually guarantees that serious criminals, terrorists and people with dangerous health conditions will continue to enter Canada. Decisions to help refugees must be based on the capability of the immigration department, firm recommendations from the United Nations and sound CSIS information, not on the whim of a bungling Prime Minister.

Canadians want to help genuine refugees but they are tired of having their generosity abused by queue jumpers, by people smugglers and, now, by our very own Prime Minister.

* * *

[Translation]

PRIME MINISTER

Mr. Paul Mercier (Terrebonne—Blainville, BQ): Mr. Speaker, having committed a blunder in Jerusalem offending the Palestinians, our Prime Minister, ever eager for balance, was careful to commit one in Gaza, a second one, which, this time, offended the Israelis.

S. O. 31

On the subject, the next day, of the lake of Tiberias where Christ walked on the waters, this tireless blunderer, tiptoeing on the eggs of an ultra sensitive matter, went in up to his neck, this time offending Syria before the dumbfounded gaze of international opinion, which did not really consider him capable of such a singular hat trick.

Now the world waits with bated breath to see how Egypt will inspire our Prime Minister. Will he, like Moses, who descended Mount Sinai bearing the tablets with commandments, before a hundred journalists, descend the steps of his hotel brandishing a peace plan for the Middle East that will cause everyone distress? Or, as is his wont, will he deliver his plan B in order to revive the conflict? Anything is possible with this man. But one thing is sure. He will oblige us to drink the cup of ridicule before world opinion to the lees.

* * *

TELEPHONE COMMUNICATION

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, the arrival of the new millennium was the subject of much celebration. We also seized the moment to sing the praises of the great achievements, especially the technological ones, of the past century. Right now, I feel very far removed from the 21st century and more as if I were in the middle of an episode of *Green Acres*. In my riding of Brome—Missisquoi, there are people having to share a phone line. There can be as many as four parties on a line. I remind you that my riding is 40 minutes away from Montreal.

There are people, on this April 13, 2000, who have to pay attention to the telephone ring to know whether the call is for them. So, forget the Internet, the fax machine and the many services most of us take for granted.

I find this situation unacceptable and I find the attitude of Bell Canada, which has still not rectified the situation, most irritating. In two weeks, my riding will host the national rural conference, where the subject of discussion will be rural development. I think Bell Canada would do well to take part.

* * *

• (1410)

NATIONAL POETRY MONTH

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, to mark National Poetry Month, I would like to read a poem entitled "Aliénor" written by Herménégilde Chiasson, who lives on the Acadian peninsula and has a Governor General's Award for poetry. It goes as follows:

I will be with you.
You will be with me.
I will look ahead.
You will look behind.
And together we will see how far our world stretches,

How great our riches are.
No more will what is ours be taken from us,
No more will lies be told about us.
We will not be sold like slaves.
We will willingly go into the forest
And emerge bathed in light.

And my children will walk in that light.
Will play in that light. And their lives will be their own.
For ages.
Forever.
Their own.
Life is all we will share now,
All that we possess, our only revenge.
I will forget the forest, yes,
The rain, the cold and the snow, yes,
But do not think that I will forget the beating of your heart,
The words you breathe,
The warmth of your arms.

* * *

[English]

HEALTH

Mr. Rey D. Pagtakhan (Winnipeg North—St. Paul, Lib.): Mr. Speaker, constituents of Winnipeg North—St. Paul would like to know what the Canadian health care system will look like in the future and how Canadians, through their federal, provincial and territorial governments, will pay for the system.

We have yet to hear whether all health ministers in the country, at their recent meeting, came to an agreement. My constituents are not interested in federal-provincial disputes, but cry out for co-operative leadership.

Medicare remains the number one priority of all Canadians. They would like to be assured that the five principles of universality, portability, comprehensiveness, accessibility and not-for-profit public administration will continue to prevail.

We owe our constituents a duty to state where we stand on the issue. Let additional new federal funding be coupled with home care and pharmacare as vital components of a renewed medicare, to ensure its sustainability in the future. This let us pledge to Canadians.

* * *

SENATOR RON GHITTER

Mr. Rick Borotsik (Brandon—Souris, PC): Mr. Speaker, I rise today to pay tribute to one of our great senators who entered into public life with great dignity and integrity, and has left with those same attributes intact after more than 30 years in the public eye.

I speak of Senator Ron Ghitter. True to his character, the senator defended his good name in a defamation suit that began in October 1998 against the member of parliament for Calgary West and a senior advisor of the former Reform Party leader.

True to Reform's crass tactics, the two individuals slandered the senator but, thankfully, justice prevailed this past week. I want to

Oral Questions

quote from the apology that was elicited from these two members. It reads:

Our attack on Senator Ghitter was unfounded and we now admit having defamed Senator Ghitter. We further acknowledge that some of our statements were based on facts that were false and on out of context interpretations.

We regret preparing and sending the letter and wish to apologize to Senator Ghitter—

I thank Senator Ghitter for standing by his principles. He is a class act.

* * *

NUNAVUT

Mrs. Nancy Karetak-Lindell (Nunavut, Lib.): Mr. Speaker, this morning the Nunavut coat of arms sculpture was unveiled in the Parliament Building's rotunda.

I was very happy that this historic event was attended by so many Inuit and friends of Nunavut, including the new commissioner of Nunavut.

It gave me great pleasure that the Nunavut Sivuniksavut students who are studying in Ottawa from all over Nunavut and a group of visiting students from Rankin Inlet were there to see the Inuktitut syllabics carved into the stone in that historic place where all the other territorial and provincial coat of arms are displayed.

It was another historic moment for Nunavut and a very moving ceremony. It would like to thank all those who attended and participated.

* * *

[*Translation*]

A "CANADIEN" AFIELD

Mr. Daniel Turp (Beauharnois—Salaberry, BQ): Mr. Speaker,

A "Canadien" afield
 Far from his hearth and home
 Through foreign land and weald
 Blundering he did roam.
 Through foreign land and weald
 Blundering he did roam.
 Pensive and serious,
 Sitting along the shore
 Of Lake Tiberias
 Did he the waves implore:
 Of Lake Tiberias
 Did he the waves implore:
 "Should you my country see, my country all in dread,
 Please inform all my friends
 That 'tis on eggs I tread.
 Please inform all my friends
 That 'tis on eggs I tread."
 These days the gaffes abound,
 Out there for all to see,

My party at this frowned,
 Will have no more of me,
 And my dear home, oh zounds,
 Is quite upset with me

ORAL QUESTION PERIOD

• (1415)

[*English*]

FOREIGN AFFAIRS

Miss Deborah Grey (Leader of the Opposition, Canadian Alliance): Mr. Speaker, the Prime Minister is overseas and every single day he has been there he has embarrassed Canadians as well as himself. His comments have been unwise and indefensible. Everyone across the world knows that.

Our Prime Minister is unable to manage his government here at home. He is unable to manage his words. He has been stumbling from one mishap to another every single day that he has been gone.

For Canada's reputation, if not his own, will somebody please bring him home?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, the premise of the hon. member's question is totally faulty and not based on fact.

The Prime Minister has had very successful talks with the leader of Israel, with the leader of Egypt and with the leader of Lebanon. He signed important agreements in Israel and Egypt. The Prime Minister's trip is going very well and the hon. member is totally wrong in criticizing it.

Miss Deborah Grey (Leader of the Opposition, Canadian Alliance): Mr. Speaker, the only thing I find more difficult than the Prime Minister saying the things he is saying over there is to have a Deputy Prime Minister defending him back home. It is unbelievable.

The Prime Minister is clearly out of his league. We know that he is endangering very fragile and tenuous diplomatic relationships. In four days we have seen four gaffes. He is igniting a controversy with practically every word that comes out of his mouth.

I ask again, is it not time that he just came home?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, is it not time that the hon. member stuck to the facts and did not bad mouth the very active and successful efforts of the Prime Minister to help advance Canada's interests and to help bring peace to the region, efforts which have been praised by the President of the

Oral Questions

Hebrew University of Jerusalem, who knows a lot more about what is going on there than the hon. member ever will?

Miss Deborah Grey (Leader of the Opposition, Canadian Alliance): Mr. Speaker, I am not sure how much it benefits to start calling other people names and defending—

Some hon. members: Oh, oh.

Mr. Lynn Myers: Look whose talking.

The Speaker: Order, please. The hon. Leader of the Opposition.

Miss Deborah Grey: Mr. Speaker, let me say again that I am not trying to bad-mouth anyone. The Prime Minister seems to be doing that very well on his own. It is a travesty.

We have seen that there are concerns today in the international news that one of the countries that is supposed to be hosting the Prime Minister is very concerned and might put it on hold. They can laugh and yuk it up all they like over there, but things have gone from bad to worse and the government should know it.

When will the government cut the losses of the Prime Minister and bring him home before he does any more damage?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, what the hon. member has said about another country not receiving the Prime Minister is totally false and she should admit it. Now she is saying that she knows more than the President of the world renowned Hebrew University of Jerusalem about the Prime Minister's efforts. The President said:

—it is due to your personal leadership and courage, Mr. Prime Minister, that Canada is a major player in trying to create a world in which nation shall not lift up sword against nation, neither shall they know war any more.

Those are the words of someone who knows what he is talking about, unlike the hon. member opposite who does not know what she is talking about.

• (1420)

Ms. Val Meredith (South Surrey—White Rock—Langley, Canadian Alliance): Mr. Speaker, the Prime Minister promised before he left for the Middle East that he would be careful not to cause any controversy. Imagine the damage that he would do if he was actually trying.

He is seriously jeopardizing delicate diplomatic relations. Why will the government not bring the Prime Minister home before he does permanent damage?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, the Prime Minister has not been criticized by the leaders with whom he has met. They have been pleased with the way the talks have been going. The Prime Minister has helped advance the cause of peace in the area and the interests of Canada through the important agreements he has signed in Israel and Egypt.

My hon. friend is totally wrong in the way she is bad-mouthing improperly and not factually the efforts of the Prime Minister, which are going very well.

Ms. Val Meredith (South Surrey—White Rock—Langley, Canadian Alliance): Mr. Speaker, it is blunder after blunder by the Prime Minister. Every day brings a new surprise.

Before the Prime Minister goes any further in destroying diplomatic relations, perhaps his deputy would tell the House, just how many years will the Prime Minister set back diplomatic relations in the Middle East? How many years will he set them back?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, the hon. member is wrong. She should look at the former leader of the opposition when he set back Canada's image in the world by bad-mouthing Canada's financial reputation with disastrous results.

Why does the hon. member not recognize that before she tries to give lessons to the Prime Minister, who has an unparalleled record of achievement in the international fora of the world?

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, yesterday, the Deputy Prime Minister said that the Prime Minister's statements were of no consequence, since no newspapers reported them. Today, the Deputy Prime Minister's argument no longer holds, because *L'Orient-Le Jour*, a daily published in Beirut, Lebanon, reports that the Syrian president may decide not to meet with the Prime Minister of Canada.

Will the Deputy Prime Minister admit that the Prime Minister's statements are hurting Canada's reputation on the international scene?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, I must thank the hon. member for saying words in support of Canada's position as a united nation all over the world. I appreciate the hon. member's support for Canada as a united country on foreign policy issues.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I do not understand the Deputy Prime Minister's reply any more than I understand the statements made by the Prime Minister during his trip.

Before he left, the Prime Minister said that one of the objectives of his trip to the Middle East was to see how Canada could further promote peace in that region. Could the Deputy Prime Minister explain to this House—if at all possible and I wonder about that—how the behaviour and statements of the Prime Minister are in line with the objectives being pursued?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, the Prime Minister is taking part in very positive talks with the

Oral Questions

leaders of that region. Canada continues to be an active member of committees promoting peace and the peace process in that region.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, even if the Prime Minister has denied reaching an agreement to take in 15,000 Palestinian refugees, he has admitted discussing the possibility of admitting some of them to Canada with the Prime Minister of Israel.

In so doing, is the Prime Minister not interfering in an extremely delicate issue, by voicing an opinion that differs from that of the Palestinian Authority on this matter?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, Israeli Prime Minister Barak made no such request and Prime Minister Chrétien has not committed to any such thing regarding refugees.

• (1425)

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, in a press release dated March 30, the Prime Minister describes his intention to travel to the Middle East in order, in his words, to “explore ways that Canadian expertise—can be further utilized to attain a just, durable and comprehensive peace in the region”.

Is Canadian expertise not being very poorly represented by the Prime Minister in a region of the world where diplomacy, tact, finesse and an understanding of the issues are required?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, the hon. member is totally wrong in her criticism of the Prime Minister. I personally appreciate his support on behalf of Canada, a country of great importance in the world because it is a unified country, despite the efforts of her party.

* * *

[English]

HEALTH

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, for our part, we are not sure that we want the Prime Minister to come home. When he travels within Canada he does things like go to Alberta and tell Premier Klein that everything is okay.

In that respect, I would like to ask a question of the Minister of Health. Yesterday, in response to a question from my leader, he referenced his own letter to the Minister of Health of Alberta in relation to the whole NAFTA question, but he simply asked the minister of Alberta whether he had any strategies to deal with this potential problem.

It is the minister's government which signed NAFTA. It is the minister's government that is responsible for these kinds of agreements. What kind of strategy does the Minister of Health have for dealing with this possible problem?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, first, when the Prime Minister was in Calgary three weeks ago he made it very clear that the Alberta government, like all provincial governments, must respect the principles of the Canada Health Act or the Government of Canada will act accordingly. He made that very clear.

Second, in relation to NAFTA, I did raise the concern in my correspondence with Minister Jonson. Frankly, I did not get from Minister Jonson a satisfactory response. We have been examining the implications of this bill under NAFTA. Yesterday we received the opinion from Mr. Appleton, which is under study. Together with the experts at justice and foreign affairs we are looking at those implications now.

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, I am having about as much luck getting a response out of this Minister of Health as he is getting from the Minister of Health of Alberta.

He has the opinion from Mr. Appleton. He now has a letter from a former premier of Saskatchewan, Allan Blakeney, on this matter. It is not something that can be left for a long time. If the wrong thing happens, NAFTA kicks in. If the bill passes and it is vulnerable to NAFTA, it will not be able to be undone.

We want to know what the minister is going to do in the very short term about this problem.

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, we are fully aware of the need to examine the implications under NAFTA of Bill 11. We raised these concerns with the Government of Alberta. We are doing our own legal analysis through justice and foreign affairs. We are also examining the various opinions that have been made public, including the opinion yesterday from Mr. Appleton.

I assure the member and the House that we will respond at the appropriate time.

* * *

VIA RAIL

Mr. Bill Casey (Cumberland—Colchester, PC): Mr. Speaker, yesterday the Minister of Transport made an announcement that he has decided to set aside \$401.9 million in new subsidies for VIA Rail. The press release goes on to say that now that he has identified the \$401.9 million, he is going to ask VIA Rail for a five year business plan and the details on how it plans to spend this money.

My question to the minister is, how could you arrive at a figure of \$401.9 million with no business plan and no details of how the money is to be spent?

The Speaker: I would ask hon. members to please address their comments through the Chair, as opposed to one another.

Oral Questions

Mr. Stan Dromisky (Parliamentary Secretary to Minister of Transport, Lib.): Mr. Speaker, the announcement made yesterday by the Minister of Transport on behalf of this government was a giant step forward in providing a viable and affordable railway passenger system for the people of this country.

The corporate plan presented by VIA will be carefully examined by the governor in council, in other words, by the cabinet, for its approval.

Mr. Bill Casey (Cumberland—Colchester, PC): Mr. Speaker, I would point out to the hon. parliamentary secretary that if he went into a bank and said “Would you lend me \$400 million? I will tell you what I am going to use it for later”, he would be thrown out of the bank. There are special rules on that side. They identify money and explain it after. The standing committee said in recommendation 3 that the government should allow for and encourage innovative public and private sector partnerships, yet when I proposed one of those three weeks ago, the minister declined to even hear it.

• (1430)

Will the parliamentary secretary ensure that future private sector proposals will be considered for passenger rail service in Canada?

Mr. Stan Dromisky (Parliamentary Secretary to Minister of Transport, Lib.): Mr. Speaker, the proposal was made yesterday. It is very clear regarding commercialization aspects of the entire program. We will have to be patient and wait to see what commercialized ventures come forth for consideration by all parties concerned.

* * *

FOREIGN AFFAIRS

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Mr. Speaker, in 1967 Charles de Gaulle shouted “Vive le Quebec libre” and Canadians were outraged at this foreign interference in a delicate domestic issue.

How does the Deputy Prime Minister explain the Prime Minister’s outrageous intervention in the domestic affairs of Israel and the Palestinian authority?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, the hon. member is totally off base. There was no improper intervention in the domestic affairs of any country or area in the region. The Prime Minister has been having useful talks with leaders of the region and they have not complained at all about the positions he has taken. Therefore I repeat, the hon. member as usual is totally off base.

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Mr. Speaker, first the Prime Minister did not know and did not care what part of Jerusalem he was in. Then he told the Palestinians to

unilaterally declare independence. Then he said that Israel should keep disputed territories that are in fact subject to very delicate negotiations.

Why is the Prime Minister bent on damaging the delicate Middle East peace process?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, when it comes to visiting a certain area of Jerusalem, I am informed that when Prime Minister Blair and United States President Clinton were in Israel and in that region they did not visit that area either. Therefore, I do not see why one should criticize our Prime Minister for making a similar decision with respect to his trip.

In any event, the Prime Minister is advancing the peace process through his useful talks with leaders of the region. He is advancing our economic relations through the agreements he is signing. The hon. member should recognize this instead of raising these baseless questions. He should get up and—

The Speaker: The hon. member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques.

* * *

[Translation]

HUMAN RESOURCES DEVELOPMENT

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, this morning I released, along with representatives of the other opposition parties, a unanimous report on the scandal at Human Resources Development Canada.

Considering that light still needs to be shed on many HDRC files, including Placeteco, will the government agree to set up a public and independent inquiry which, in the opinion of all opposition parties, is the only way to restore the public’s confidence in Human Resources Development Canada?

[English]

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, the work of a standing committee provides a wonderful opportunity to advise and inform the government, to advise a minister in a department, in this case mine, on improving its operations.

I have had the chance to take a cursory look at the majority report. I see it begins to look at the six point plan and to provide information. When I look at the minority report however, I see that the opposition has been unable to get beyond the rantings that we see day after day in the House. To tell the truth, I am really disappointed in that.

[Translation]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, enough is enough. The waste of public moneys at Human Resources Development Canada

Oral Questions

has lasted long enough. All the parliamentarians on this side of the House are unanimous in demanding clear, fair, transparent and consistent rules to put an end to the Liberal system of granting favours to their buddies.

Will the government regain a sense of honour and act as it is being asked to by all opposition members and by the public?

[English]

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, I would agree. Enough is enough. We have heard day after day the rantings and ravings of the opposition on this issue. Canadians have identified, as has the government, that we have a program that we are implementing to improve our system.

• (1435)

Canadians would appreciate, I am sure, the opposition working with us to do what the auditor general suggests is so important, to find a way of providing good service to citizens in this country and at the same time balancing that with an appropriate accountability structure for taxpayers.

[Translation]

Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance): Mr. Speaker, the RCMP has been investigating CITEC, a company based in the Prime Minister's riding, since February.

An audit released last week reveals irregularities in the management of the \$2.8 million grant from the Canada jobs fund. In spite of these disturbing facts, Human Resources Development Canada intends to give CITEC an additional \$5 million.

Is the Prime Minister wasting public money strictly because that money is going to his riding?

[English]

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, with respect to funding, we have received a letter from CITEC requesting a continuation of funds. The department will be reviewing this and will report when it has a response.

Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance): Mr. Speaker, we were not surprised to learn that the directors of CITEC have close political affiliations to the Prime Minister. One of the men, Mario Pépin, is a veteran Liberal Party organizer in the PM's riding. What is surprising is that these men paid themselves large salaries and generous stipends. They invested \$2 million of the grant money in high risk funds and nobody knows where the interest is.

How can the Prime Minister just turn a blind eye to these activities and approve his friends' blatant abuse of spending taxpayers' money?

The Speaker: My colleague, again, the way the question is worded I would judge that it does not deal with the administrative responsibility of the government. If the hon. minister wants to respond, I will permit that.

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, only to say that as the hon. member points out, this file is with the RCMP. It would be inappropriate to comment further on it or to prejudge the results.

* * *

[Translation]

BANKING SERVICES

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, the public is scandalized by the billions of dollars in profit being made by the banks every year.

Despite banking fee packages, the six major banks in the country have recorded a \$140 million increase in their revenue from service charges in 1999. Yesterday, the Royal Bank announced a 30% hike in certain charges, and this is likely to affect people with small amounts of savings in particular.

My question is a very simple one, directed to the Minister of Industry. When will the government be sending a clear message to the banks that these practices are totally unacceptable to consumers?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, as you know, bank service charges are set by the private sector.

That said, in our new fiscal policy, we are in the process of putting in place measures aimed at consumer protection.

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, the Minister of Finance is planning to introduce a bill in the near future that will allow bank mergers, among other things.

Is satisfying the major Canadian banks the minister's sole objective, or will he also be taking advantage of the opportunity to ensure that consumers have access to affordable banking services?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, if the hon. member across the way had studied the policy set out by the government back in early June, he would have seen we are in the process of creating not only an ombudsman position but also a consumer protection agency, which would have answered his question exactly.

* * *

[English]

HUMAN RESOURCES DEVELOPMENT

Mrs. Diane Ablonczy (Calgary—Nose Hill, Canadian Alliance): Mr. Speaker, we have heard today another example of how

Oral Questions

the human resources minister allows Canadians to be ripped off. Two lucky friends of the Prime Minister, both already with comfortable incomes, used grant money to give themselves \$3,000 unearned a month plus a handsome bonus for attending board meetings.

The minister has some explaining to do. Will she tell Canadians why taxpayers were forced to foot the bill for this kind of profiteering?

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, I would just say again that this file is with the RCMP. It would be inappropriate to comment on it or to prejudice the results.

• (1440)

Mrs. Diane Ablonczy (Calgary—Nose Hill, Canadian Alliance): Here is something else, Mr. Speaker. Now there is a new twist on the misuse of the minister's grant money. How about using grant money to buy a motorhome? That is what someone did from the Strathroy Community Resource Centre, an organization that is supposed to be "a proactive support system for adolescents". We cannot find out how this motorhome generated jobs because our access request is past the legal due date.

I invite the minister to explain to Canadian taxpayers why they had to buy someone a motorhome.

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, the hon. member's question gives me a chance to update the House on the number of access to information requests my department has received this year. We are up to 602. I would remind the House that while we have had 602 in this first quarter, in all of last year we only had 531. We are working diligently to provide the information that has been requested. The department takes this very seriously and the answers will be forthcoming.

* * *

[Translation]

CINAR

Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ): Mr. Speaker, the Income Tax Act gives the Minister of National Revenue all the powers necessary to shed light on allegations of tax evasion. We feel that, over the past six months, the Minister of National Revenue has had ample time to do his job regarding CINAR. A report must be forwarded to the Minister of Justice when an investigation seems to support the laying of criminal charges.

My question is simple. Did the Minister of National Revenue forward a report on CINAR to his colleague, the Minister of Justice?

Hon. Martin Cauchon (Minister of National Revenue and Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.): Mr. Speaker, once again, as members know, I cannot comment on a specific file, because of the rule of confidentiality.

That being said, the mandate of the Canada Customs and Revenue Agency includes a responsibility to ensure that the Income Tax Act is complied with throughout the country.

I want to assure this House that, whenever issues are raised and investigations must be undertaken, the department acts with great diligence and does an excellent job.

* * *

FRENCH LANGUAGE COLLEGES

Mr. Rick Limoges (Windsor—St. Clair, Lib.): Mr. Speaker, yesterday, the Minister of Canadian Heritage announced the signing of the Canada-Ontario agreement on French language colleges.

Can she tell us how this agreement will be beneficial to the development of the Franco-Ontarian community?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, I am glad to have this question from a member from the Windsor area, an area in southwestern Ontario which, along with northern and eastern Ontario, will benefit from our investment in these three colleges, through the opportunity provided to Ontario students to be educated in their mother tongue wherever they live in the province. This is good for Canada.

* * *

[English]

CANADA DEVELOPMENT CORPORATION

Mr. Gary Lunn (Saanich—Gulf Islands, Canadian Alliance): Mr. Speaker, last week both the Minister of Finance and the Prime Minister promised to provide the documents with respect to the Minister of Finance's involvement in the tainted blood scandal now being investigated by the ethics counsellor.

Today we were told we would receive those documents. What did we get? Two pages for six years worth of board meetings and half of those pages were whited out. What is the government trying to hide? Why will it not provide the board minutes? What is it hiding?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the hon. member knows that the ethics counsellor, following a very thorough investigation, has reported fully on this and confirmed what I have said, that there was no discussion on tainted blood at the CDC board.

All the pertinent documents were part of the ethics counsellor's report, including the ones to which the hon. member is referring. At

the same time he knows that a thorough investigation is being carried out by the information commissioner to look into this whole matter. All of that will also be revealed in due course.

Mr. Gary Lunn (Saanich—Gulf Islands, Canadian Alliance): Mr. Speaker, we know the ethics counsellor told the Department of Finance to release the board meeting minutes. It is not believable to have two pages of minutes for six years, and to have half of them whited out. That is not believable. What is it trying to hide?

• (1445)

Why will the government go to great lengths to make sure that these documents do not get out? It is very selective about what it releases. To wait six years for two pages is not believable. We want the board meeting minutes. Why will the government not release them?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, those minutes belong to the private sector, but those minutes also dealt with everything about the subject in hand.

If the hon. member has any other questions, he could easily ask them of the ethics counsellor. He should see the ethics counsellor. That is the long answer.

* * *

HUMAN RESOURCES DEVELOPMENT

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, months after we first heard of the scandalous situation at HRDC, Canadians still do not have answers. The only transparent aspect of the whole mess is the government's mishandling of it.

That is why today the four opposition parties put out their own report calling for an independent public inquiry. Apparently the minister feels it is just ranting and raving. I can assure the minister that upholding the public interest is not ranting and raving. It is called getting to the truth. Why is the minister so afraid to hold a public inquiry to get at the truth?

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, it would seem that opposition members are still confounded by the fact that the government did its own internal audit; that the government made that audit, with all its shortcomings identified, public; and that the government is implementing a plan to fix the problem.

Let us remember that we presented a plan. The auditor general accepted it and is working with us to implement it. I would ask the opposition to work along with us so that we can fix this problem and continue to provide good service to Canadians citizens and improve our accountability to the taxpayers.

Ms. Wendy Lill (Dartmouth, NDP): Mr. Speaker, my question is for the Minister of Human Resources Development. I have constituents with disabilities who have taken an IT training course

Oral Questions

from a private company funded by HRDC. The company took their money but provided no accommodation for their disabilities, produced no graduates and found them no jobs.

How could the minister justify funding for-profit training companies that produce no graduates or jobs when non-profit public sector organizations—

Some hon. members: Oh, oh.

The Speaker: Order, please. I would ask that the loudness that is going on in the House cease and desist. I think we deserve the right to listen to the question and hear an answer.

Ms. Wendy Lill: Mr. Speaker, how could the minister justify funding for-profit training companies that produce no graduates or jobs when non-profit and public sector organizations are screaming for more funding and have up to 95% success rates in providing real training and real jobs at the end of it?

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, let me begin by saying that the government takes very seriously the role that we can play in ensuring that Canadians with disabilities do get jobs. That is why I was very pleased to see in the budget the continuation of permanency given to the opportunities fund, a very important fund that supports Canadians with disabilities.

I am unaware of the particular case to which the hon. member makes reference, but if she would like to provide me with the details I will look into it.

* * *

FISHERIES

Mr. Gerald Keddy (South Shore, PC): Mr. Speaker, the Minister of Fisheries and Oceans is negotiating fishing agreements with the first nations in Atlantic Canada but continues to ignore the Atlantic Fishing Industry Alliance.

Processors and fishermen must be a part of the negotiations in order for the negotiations to have a chance of working. Will the minister commit to fewer press releases and more industry consultation?

• (1450)

Hon. Harbance Singh Dhaliwal (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I have met with the alliance and its views were taken into consideration when we had a plan researched.

We also had an assistant federal representative who continually communicated and dealt with the industry to make sure its views were taken into consideration. When I met with alliance representatives they said that the minister should have access through a voluntary retirement program and should make sure they have the same regulations.

Oral Questions

The access we have now is through a voluntary retirement program and every agreement we have signed so far is based on the same regulations and the same seasons. That is exactly what they wanted when I met with them last year.

Mr. Gerald Keddy (South Shore, PC): I appreciate those comments, Mr. Minister.

Some hon. members: Oh, oh.

The Speaker: Order, please. The hon. member for South Shore will be address his remarks through the Chair.

Mr. Gerald Keddy: Mr. Speaker, I will try again. I have some respect for what the minister is saying, but the fact remains that signed agreements are being distributed freely among the aboriginal community and the same government refuses to share these same agreements with processors and fishermen.

Will the Minister of Fisheries and Oceans meet with the fishing industry to brief it on the eight signed agreements and include it in the negotiations that will affect its future?

Hon. Harbance Singh Dhaliwal (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, we do not negotiate in public. It is a responsibility of the federal government to negotiate directly with the first nations.

I outlined to the fisheries committee the total number of licences we have purchased and the amount of money we have spent. At the appropriate time we will ensure that all the information gets out for all the groups to look at, but right now we want to make sure those agreements are negotiated. They are negotiated not in public but directly with the first nations bands. We will continue to do that.

* * *

WINE INDUSTRY

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, my question is for the Minister of Agriculture and Agri-Food. A recent vintners enterprise study out of Niagara says the wine industry in Canada is waiting for federal recognition of the VQA standard for wine.

Canadian access to European markets is hampered because we do not have this national standard. What is the minister doing to ensure that Canadians wines are recognized and when will he bring in a national VQA standard?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the Department of Agriculture and Agri-Food is working with the provinces, grape growers, producers and consumers to develop a national standard for wine. That certainly includes Vintners' Quality Alliance wines as well.

When that standard is completed and when it is developed, it will certainly improve the opportunities for interprovincial trade. Following successful negotiations that we are aiming for with the European Union, it will certainly increase our opportunities for export of wine to Europe as well.

* * *

CANADA DEVELOPMENT CORPORATION

Mr. Dale Johnston (Wetaskiwin, Canadian Alliance): Mr. Speaker, both the Prime Minister and the Minister of Finance stood in the House and promised that they would release the minutes of the CDC board meetings for the time that the finance minister was a member of the board. Now the ethics counsellor seems to be stonewalling us.

Are these documents so damning that the finance minister is prepared to break his promise to the House to table these documents?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the hon. member's question simply makes no sense whatsoever. The fact is that the ethics counsellor has released all pertinent documents in this particular case. The hon. member has all pertinent documents.

* * *

[Translation]

OPTION CANADA

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, on Tuesday, the Bloc Quebecois asked the solicitor general to launch a police investigation into the Option Canada affair. He replied that he would read our letter and get back to us.

Has the solicitor general now asked the RCMP to investigate Option Canada?

[English]

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, my hon. colleague is well aware that there is a process in place such that when I receive any letter of this nature I refer it to the RCMP, no matter what it contains.

I know my hon. colleague does not want to leave the impression in the House that this has anything to do with whether an investigation will or will not take place. In fact, my hon. colleague could refer the letter directly to the RCMP himself.

* * *

● (1455)

BANKING

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, my question is for the Minister of Finance. The Royal

Oral Questions

Bank has announced that there will be a hike in service charges on July 1. This comes at a time when the banks are making billions of dollars in profits. Meanwhile the National Council of Welfare has stated that banks could easily provide Canadians with a minimum 16 basic charges a month for a fee of \$2.

In light of that, will the minister send a message today to bankers to tell them that financial services legislation will be introduced in the House next month and that the legislation includes a guaranteed access for all Canadians to a low cost, no frill account that is available to everyone in the country.

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, when the legislation will be tabled it will deal with those issues exactly.

* * *

CANADIAN BROADCASTING CORPORATION

Mr. David Price (Compton—Stanstead, PC): Mr. Speaker, yesterday with regard to the possible closure of CBC Montreal the heritage minister said:

Not only have no options been made, but we have certainly discussed nothing about it.

Yet a CBC spokesperson in Montreal says the closure is an option, but I guess the government is completely unaware, even though the decision will be made in two months. Will the minister tell us why eliminating local English language television would even be an option?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, what I said yesterday was we had not been aware of any information. In fact we have not discussed any such option.

Frankly, although I very much respect the arm's length relationship of the CBC to the government, I do agree with the hon. member that I think it would be a tragedy if English television in Montreal were not operating.

* * *

IMMIGRATION

Ms. Sophia Leung (Vancouver Kingsway, Lib.): Mr. Speaker, my question is for the Minister of Citizenship and Immigration. The auditor general's report recently highlighted the challenge of attracting skilled workers to Canada.

Could the minister tell the House if the new immigration legislation contains any measure to facilitate those skilled workers in Canada?

Hon. Elinor Caplan (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I would like to thank the member for her very important question because Canada is indeed competing with

the world for skilled workers to help our industries and sectors in need of those people.

We are building on the success of our temporary worker program by expanding that program through regulation, for example, for sectors such as both the high tech and construction industries which are experiencing a shortage of skilled workers.

Further, the new legislation which I tabled will contain an in-Canada landing class for those people who come under the temporary skilled worker program as well as students who have graduated—

The Speaker: The hon. member for Dewdney—Alouette.

* * *

CANADA DEVELOPMENT CORPORATION

Mr. Grant McNally (Dewdney—Alouette, Canadian Alliance): Mr. Speaker, we know that the finance minister and the Prime Minister promised that all pertinent documents would be released in relation to the ethics counsellor's report on the finance minister's involvement with tainted blood.

He just said in the House now that all pertinent documents have been released. What he is saying is that two pages, half whited out, are all the pertinent documents. We know that the ethics counsellor has copies of the CDC, CDC Life Sciences and the Connaught board minute meetings. Why will those not be released today?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the ethnics counsellor has released a report which is about this thick. There are pages after pages of documentation which are available to the hon. member if indeed he wants to go through them.

At the same time the ethics counsellor conducted interviews with a number of the people who were involved, all of whom confirmed the fact that there were no discussions of tainted blood at the CDC board. If the hon. member wants to talk to the ethnics counsellor he certainly can feel free to do so.

* * *

[Translation]

GENETICALLY MODIFIED ORGANISMS

Ms. H el ene Alarie (Louis-H ebert, BQ): Mr. Speaker, yesterday the Minister of Agriculture and Agri-Food said that there were no major trade problems at the present time, but we know that many countries are calling for mandatory labelling of GMOs and that farmers are already having trouble selling their crops.

Does the minister not understand that because of his lack of concern farmers may be unable to sell what they produce, thus creating another major agricultural crisis in the country?

Business of the House

• (1500)

[English]

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I am aware that there are a number of countries talking about labelling for genetically modified foods, but I am not aware, unless the member is knowledgeable otherwise, of any country which has a system in place right now which insists there be labelling for genetic modification in a product.

They are talking about it, but because they have not been able to put together a system of criteria which is meaningful, enforceable and credible, no country has that in place at the present time.

* * *

NATIONAL DEFENCE

Mr. Gordon Earle (Halifax West, NDP): Mr. Speaker, how many visible minorities and aboriginals are there in the senior ranks of Canada's land forces and regular navy? Too few to even register, according to the defence minister's own advisory board.

Just as bad are the targets, with a visible minority target of less than 10% for army and regular forces and less than 5% for aboriginals in the same category.

Will the minister here and now commit to targets and dates to increase representation in all senior ranks, including using fast tracking where appropriate, and commit to fostering an environment promoting diversity, as recommended by his own advisory board?

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, as the hon. member has pointed out, it is an advisory board which I appointed because I want the Canadian forces to be able to better reflect the population which exists today.

I want to make sure that people from all parts of Canada and from all socio-economic groups have an opportunity to be part of this great national institution.

The board has come up with some suggestions which I think are worthwhile. We are looking at them right now. I think we can increase the numbers of people, reach out to them, and do it without quotas and without lowering any of our standards.

It is important to reach out to these people and be inclusive in terms of the Canadian forces.

* * *

CANADIAN BROADCASTING CORPORATION

Mr. David Price (Compton—Stanstead, PC): Mr. Speaker, I would like to follow up on my last question.

The minister of heritage will have a say in anything major like what is happening in Montreal. Would the minister guarantee community based, English language programming in Montreal for Quebec?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, when the member says that the minister has a say, in fact the minister has a say in appointing the president of the CBC and the Government of Canada appoints the board of directors of the CBC. Then we have confidence that the president and the board of directors of the CBC will manage the CBC to make sure that it is available in all regions of the country for everyone.

That is their mandate and we are very confident that the president and the board will carry out that mandate.

* * *

PRESENCE IN THE GALLERY

The Speaker: My colleagues, today we had a very impressive ceremony in the rotunda and I would like to draw your attention to the presence in the gallery of one of our distinguished guests for today, the Honourable Peter Irniq, Commissioner of Nunavut.

Some hon. members: Hear, hear.

* * *

BUSINESS OF THE HOUSE

Mr. Grant McNally (Dewdney—Alouette, Canadian Alliance): Mr. Speaker, this being the most favoured day, Thursday, where we get to ask another question after question period, I would like to ask a very important question of the government House leader.

Would he be able to tell the House what the business of the House will be for the remainder of this week and the week following the break?

[Translation]

Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, today we are going to continue debate on Bill C-32, the Budget Implementation Act, 2000, followed, time permitting, by Bill C-25, the Income Tax Amendments Act, 1999, and then Bill C-19, the Crimes Against Humanity Act, and Bill C-11 on Devco, and if we have time, Bill C-24 on changes to the form of the GST, followed by Bill C-5, the Canadian Tourism Commission Act.

• (1505)

Tomorrow, it is my intention to call Bill C-19, the Crimes Against Humanity Act.

When we return on May 1, we are going to begin the second reading of Bill C-31, the Immigration and Refugee Protection Act. Tuesday, May 2, will be designated an allotted day.

ROUTINE PROCEEDINGS

[English]

COMMITTEES OF THE HOUSE

PUBLIC ACCOUNTS

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, following consultations between all of the parties, I think you would find unanimous consent for the adoption of the following order on the subject of travel for the public accounts committee. I move:

That the members of the Subcommittee on International Financial Guidelines and Standards for the Public Sector of the Standing Committee on Public Accounts and the necessary staff of the subcommittee be authorized to travel to Washington, D.C., from May 7 to 10, 2000, to meet with representatives of Congress, the World Bank, the International Monetary Fund, the General Accounting Office and the Inter-American Bank to identify and discuss the work that has been done and that is currently being undertaken in the development of international financial reporting guidelines and standards for the public sector.

The Deputy Speaker: Does the hon. parliamentary secretary have the unanimous consent of the House to propose this motion?

Some hon. members: Agreed.

The Deputy Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to)

GOVERNMENT ORDERS

[English]

BUDGET IMPLEMENTATION ACT, 2000

The House resumed consideration of the motion that Bill C-32, an act to implement certain provisions of the budget tabled in parliament on February 28, be read the second time and referred to a committee.

Mr. Rick Laliberte (Churchill River, NDP): Mr. Speaker, I want to reiterate what I said before question period. I was highlighting some of the program reviews that have taken place in the country which brought us to budget 2000.

Government Orders

When budget 2000 was released, there was no mention of national parks in it. National parks have been a great part of our summer activities. When students take their summer break, they and their families flock to our many national parks in the beautiful regions of our country. The huge demands on our parks by our growing population and by international visitors have put a great burden on the ecological integrity of these parks.

If the Minister of Finance has any obligations toward seeing environmental integrity take place, he must review his financial and fiscal responsibilities in budget 2000. There is nothing in the budget that mentions anything about improving the opportunities for the National Parks Agency to increase the resources for the management and wardens who care for these parks. They require the human resources, seasonal resources, technical and capital resources to make the parks a better place to be and to protect them for future generations.

A part of our national parks heritage is to increase the allocation of our parks in this country. We are going very slowly. There was an increase in designated parks in years past but nothing was mentioned in the budget for the year 2000. There was nothing planned for increased park allocations. There was nothing from the government. I would like to highlight this as a major oversight by the finance minister this year. We hope that he will announce as soon as possible some initiative toward our national parks and enhancing this issue in next year's budget.

• (1510)

We would like to highlight the fact that national parks in Canada have been overlooked in this year's budget. There has been zero increase in their budgets. A greater demand on more user fees has been coming from the parks. The revenue sources that are being created at our national parks are not necessarily a good thing for the ecological integrity of our parks. The balance of restricting use and advertising for more use for the sake of further revenue is not necessarily a good thing.

Another great oversight not only in this budget but in government policy is in respect of northern development. The issue of northern development in Canada is of great interest. Many people will look at the north and see its vast natural resources. The north has a sparse population. It is the final frontier, as one opposition member mentioned.

I just returned from Europe where I looked at how development has taken place there. Two concepts come to mind which I would like to share with the House. One of them deals with the issue of banking.

Everyone knows the banks of this country, CIBC, Royal Bank, Bank of Montreal, are all making great profits and doubling their profits every year. That is the investment banking side. But regional development banking is lacking in this country. I am not just talking about business development for businesses in

Government Orders

downtown Toronto, for example, or Halifax, Montreal or Vancouver. We need regional development banking so we can look at the economically deprived regions of Canada.

We look at the north as a vast region where communities and populations have sustained a livelihood through many generations of sustainable development. Sustainable development is the key. But now because of a lack of financial resources, capital finances that can be invested strategically to create jobs, to create investments, to create resource management that reflects the needs of communities, that is not happening.

Let me speak about investment banking. If a forestry operation is to be developed in northern Canada, the investment banking would take place in Toronto or in some stock market in New York, Calgary or Vancouver. The company would usually be southern based and in this case they would be looking at getting resources from the north and bringing them south for development and profit.

That is what we call colonization. Colonization is what brought these vast institutions here. I am talking about the British, the French, the Spaniards and Portuguese who wanted more resources and further riches for their countries. They came to Canada looking for new found land. But now we are a country and as Canadians we have to protect our resources. Let us hold on tight to our resources. The resources in Canada and the world are dwindling. If we hold on to our resources, their market value will increase. We must treasure our resources not only for our immediate profit making, but to sustain them for future generations so they have a means of livelihood in the future.

The whole issue of northern development was very much overlooked in this budget, not only the developmental issue but also the infrastructure issue and the high cost of delivering services to the north. Most people take for granted having a litre of milk and, in most cases, two litres of milk. In southern Saskatchewan one can easily buy a two litre carton of milk for \$2. In northern Canada, it costs \$8 for a two-litre carton of milk, which is four times the price of milk in other parts of Canada.

• (1515)

We had a report about the sad situation of first nations education. We cannot compare the education system in northern Canada to that of southern Canada. There are school divisions within and around the city of Ottawa where schools have a population of between 500 and 1000 students.

Villages in northern Canada with a population of 500 may have 20 students in a high school. The student-teacher ratio might diminish to 10:1. There is a high cost to having one teacher teaching only 10 students but that is the reality of living in a small community. Not everyone can be moved to an urban centre.

We must continue to support rural and remote communities. This is the reality of being Canadian. We cannot pretend to be England

or Germany, or small countries that are the size of the smallest provinces in this country. We are a huge country. We must think big but we must also think of what is fair for everyone.

Housing development is another issue I have mentioned. Our communities are in the middle of the boreal forest region and we lack housing. Why can we not build log or timber frame homes that are community based instead of real estate or development based? That is a challenge for the government. We should have research projects that will foster the development of community housing and create family initiatives to keep housing viable. We should not have a housing problem in the middle of a boreal forest.

We need research institutes to give us the best decisions on designing a house. We do not have research institutes in the north dedicated to the livelihood, resource management or the economic viability of the north. I challenge any of the research chairs that have been duly announced by this budget to consciously choose northern initiatives. I doubt if they will even look at the issues, aside from the genetically altered subject on which we have spoken.

Biotechnology is a major initiative that the Department of Industry has been working on. The moral and ethical issues dealing with biotechnology have to be addressed as well. There has to be a balance between what the consumers need to know about genetically modified foods and the need to protect the environment.

We mentioned the environmental aspects of the Kyoto protocol and keeping greenhouse gases in check with emission controls. I am aware of no initiative by this government that tells Canadians what decisions we should be making on our automobiles.

The latest initiative we saw was yesterday regarding VIA Rail. The government has finally woken up to the fact that trains are a viable option for this country. We can travel from Halifax to Vancouver on a train, and by making an investment, maybe that train will be on time. There are trains in Europe that go 300 kilometres an hour and trains in Japan that are being tested at 500 kilometres an hour. I would rather be travelling on a train, seeing the beautiful landscapes of this country than flying above the clouds.

We also have a diminished opportunity to fly above the clouds right now because Air Canada is the only airline. We have no alternatives. The schedules connecting western Canada with eastern Canada are being dismantled. The schedules that were there before are not there today. Flight schedules are being dismantled all for the sake and success of the lobbyists who have successfully told the government that one company cannot compete against another.

• (1520)

A train is probably the cheapest form of transporting freight in this country. In the land-locked provinces, where there are no

shores touching the Atlantic or the Pacific, we rely on trains to take our agricultural products to market.

As a young person I travelled on the highways of northern Canada and a train on a railroad track would have been a better alternative. Rather than exercising the option of increasing our rail access to other places in Canada, we have been dismantling our railroad tracks, especially in western Canada. Railroad tracks that existed fifty years ago have now disappeared.

We must reinvest in and reconnect our communities with a railroad system and a transportation system that is reliable, not just an Internet and information highway system. We need a real highway system to connect real people with real places and real people with other real people, not just virtual connections or a connection on a TV screen. We must connect the French people with the English people, the Dene people with the Inuit and the Inuit with the Mi'kmaq. All these people have got to know each other because we are all Canadians.

As parliamentarians, it is time we looked at restructuring our system of governance. It is time to reinvest in education and in opportunities for our young people.

The budget is certainly a spark in the right direction to no more program reviews and no more cutbacks. It is time to reinvest. However, let us invest in the right way and let us invest with our hearts in the right place where it will be fair and equal for all Canadians.

Mr. Garry Breitkreuz (Yorkton—Melville, Canadian Alliance): Mr. Speaker, hundreds of millions of dollars will be poured into VIA Rail and a lot of that passenger service is in eastern Canada. It was only a few years ago that the government withdrew all support for the grain transportation network on the prairies, known as the Crow rate. Does the member feel that there is some political interference here in the rail transportation system in the country?

What is economically more important to the country, grain transportation on the prairies or serving the passengers who travel between Quebec City and Windsor? I realize VIA crosses the country but that service is primarily in eastern Canada. Is this fair? Does this seem like a good economic decision, or were politics involved in this decision to spend hundreds of millions on VIA Rail and leave the farmers on the prairies to basically fend for themselves?

Mr. Rick Laliberte: Mr. Speaker, having great faith in our political system, of course it was politics. This whole place is built on politics. A majority of the members are from the Ontario region. We have a party reflective of the west. Then we have a whole governance structure and bureaucratic structure that seems to want to dismantle the whole issue of a connectedness with the country.

Government Orders

The farmers have had opportunities to reflect on the political wills. Governments have changed time and time again and the whole issue of the farm family has been diminished. The complex area of grain transportation, the technical changes, the international trade in farming and the whole issue of the future of farms should be documented once and for all.

• (1525)

My solution would be to set up a royal commission on the family farm, which would take the politics right out of it. The commission would look at the family farm and document it once and for all so that the next generation who will be able to make wise investment decisions for the future.

Politics is politics. Maybe the VIA Rail decision is right. It may be one example of a good investment the government is making with its newfound surpluses. Maybe something will come for grain transportation in the future but that is a big hope. Hopefully we can work together to make that possible.

Farmers need help in grain transportation but young farmers need direction. They need to know what kinds of decisions they will have to make. Maybe a royal commission could wrap it all up in one big package for them to really look at and study.

Mr. John Duncan (Vancouver Island North, Canadian Alliance): Mr. Speaker, the member talked quite a bit about national parks and the national parks scheme.

It was very clear in the past that our national parks were designed for people and families to have general access. However, the mandate for the parks has changed and many of the practices have changed so that now our national parks system is much less available to the general public and families. At times some of the existing available parks have implemented a user fee schedule, to which the member made reference.

My analysis of those parks, which have put in a user fee schedule, is that the national budget is still the same as what it was before the implementation of user fees. There is a lot more spending going on but no more facilities really present. The user fee schedule has not really given the general taxpayer relief.

I wonder if the hon. member could comment on those two things.

The member also talked about rural infrastructure. We are very concerned about what is happening in our rural communities. On things like the universality and availability of health care, if individuals cannot get to where health care is available it is hardly universal. If the member would like to comment on that as well it would be most welcome.

Mr. Rick Laliberte: Mr. Speaker, I would be more than happy to highlight some of the political aspirations of certain parties.

Government Orders

Not so long ago I knew a party called the Reform Party which leaned a bit to the right. Some of its aspirations were cost recovery. A major right wing agenda is to look at cost recovery in health and for-profit health care. Cost recovery in national parks is a reality. It is a dream come true for a right wing government. Unfortunately we have a Liberal government that seems to be listening to this right wing rhetoric.

We have to consider the social conscience of the country. We have to consider the needs of our communities, our single parents and our students who cannot afford to use the parks, as the member said. We do have to raise these issues but we have to make it a Canadian initiative. We cannot talk from both sides of our mouth. If we care about our young people we have to invest our tax dollars in areas that will help them. We cannot talk about tax cuts and then diminish our services and programs. I am talking about program and service enhancement.

It is nice that the hon. member has raised this issue. Maybe we can get the government's assurance that it will keep the program and services enhancement, especially in budgets to come. As I said there has been a swing away from cutbacks and more expending surpluses into the future.

• (1530)

In some areas the infrastructure development is very unfair. I tried to drive to Ottawa on the Trans Canada Highway. It is a minefield coming here through northern Ontario. It is a single lane highway that barely has any shoulders.

There is an intercontinental highway system just to the south of us. Maybe that should be looked at in terms of infrastructure development and job creation. There are highways needed in western Canada. Grain trucks have been pounding our highways because grain is no longer being hauled by train.

These are the sad facts and sad results. We have to look at investments, which I call regional development investments. If the infrastructure program is a possible avenue to make this happen, I would very much welcome it, but it was not evident in the finance minister's release.

Mr. Bob Mills (Red Deer, Canadian Alliance): Mr. Speaker, I think we could agree with a number of the items the member mentioned.

One area which he did not talk about in his presentation was regarding the government's talk about showing this huge surplus at the same time that there is a \$580 billion debt with a \$43 billion interest payment on it every year. One of the big concerns I had certainly before coming to this place in 1993 was the fact that no government seemed to be dealing with that. I was rather shocked that the present budget did not deal with that item.

With \$14.5 billion for health care and \$43 billion for interest payments, does the hon. member not think that by dealing with that

debt we could in fact help our social programs which all of us are concerned about?

Mr. Rick Laliberte: Mr. Speaker, I suppose we have to have a balanced approach. Certainly our party has taken the approach of looking at the deficit, the debt and program and service enhancement.

By creating more wage earners through the opportunities that we talked about, investment into infrastructure development, instead of recipients of social services, we would see an increase in national revenues. We would see a better economic cycle within the regions.

People talk about the fear of globalization. The hon. member should live in northern Canada and see the remnants of what our globalization was. The Hudson's Bay Company and its stores still monopolize our groceries after it tapped the sceptre here and said "This is now Rupert's Land and part of England". We still live over there, yet we live here.

Mr. Howard Hilstrom: That is not true. The North West Company runs all that.

Mr. Rick Laliberte: The North West Company and the Hudson's Bay Company, under the same guise, under the same name, still have the same colonizing effect today. Colonization and globalization are in a similar realm. Let us invest in our people and the people will get us out of our troubles.

Mr. Bob Mills (Red Deer, Canadian Alliance): Mr. Speaker, it is certainly my pleasure to speak in the debate on the budget that was set down on February 28, 2000.

A lot of people looked forward to that budget. They thought we would get a millennium surprise, that we would get a forward looking 21st century type of budget. Instead, I think we got a shell game where money was transferred from one place to another place to another place. A lot of people, not able to follow the movement, said at least it was better than what we have had before.

Let us talk about some of the failures of that budget. Mr. Speaker, I know you are most interested in pinpointing those because obviously within your caucus you would have been told all of the good points. Let me try to highlight some of the less than good points in the budget. I know you are looking forward to this and will take accurate notes.

• (1535)

First there is the total failure to even recognize the fact that we have a debt. There is talk of this great surplus and what will be done

with the money, how the government can create more programs. There is program spending. Certainly Liberals love program spending. They have always loved to create programs because programs lead to bureaucracy. Bureaucracy leads to boondoggles. Boondoggles lead to ways to patronize friends. It is a wonderful scene, except for the taxpayer and all those people who are deprived of that money.

What about that debt? What about that \$588 billion? Let us go back and see where that came from. In 1969 we had no debt. By 1972 we had \$18 billion in debt. As we went along through the spending years we ended up coming to about \$160 billion in debt by 1983-84. At that point everybody said we must stop the growth of that debt.

A new party came into power and said it was going to stop it and it would not let it grow any more. Of course we know that by 1987 we had a debt somewhere in the neighbourhood of just under \$300 billion. At that point of course a new party, the forerunner to the Canadian Alliance, was born as a response to that huge debt. But that same government carried on. By the time it finished, the debt was \$490 billion with a deficit of some \$42 billion.

Since then we now have a debt of roughly \$580 billion. We have an interest payment of about \$43 billion, depending on how the economy goes and so on. Let us look at where that places us. We spend somewhere around \$12 billion on education, \$14 billion on health care and \$22 billion on pensions. There is Indian affairs at \$7 billion and defence at \$9 billion. The critical thing in these numbers is the fact that we have \$43 billion in interest payments. That is what we are passing on to future generations.

How does the budget deal with that? It says that as long as everything is going fine, we may be able to put \$3 billion on that debt. Let us figure out the mathematics of that one. If there is \$580 billion and we add \$3 billion a year while paying \$43 billion a year in interest, then we are not getting ahead. A home could not be run that way. A business could not be run that way. A farm could not be run that way. They would be bankrupt. They would be taken over.

Obviously it is a great disappointment for Canadian taxpayers. Future citizens and taxpayers, our children, our grandchildren and our great-grandchildren are going to be burdened by that debt. This budget did not even address that.

One could put one's head in the sand and not recognize that as a serious problem for our country. That is why some economists are predicting that within 50 years this country will have a standard of living at 50% that of the Americans. Right now the quality of life, the standard of living is somewhere around 70% that of the Americans. Is that acceptable? Is that what we want to leave for our children and our grandchildren? I do not and I think I can speak for my colleagues in saying that they do not either.

Government Orders

That is the first failure, Mr. Speaker. I know you are looking forward to hearing some more so I will satisfy your curiosity.

Let us talk about the business community and employment benefits and the shell game that is played. The government trumpets the fact that it has been able to cut EI premiums and that has saved business and individual workers a great amount of money.

• (1540)

About 38% of people can actually be eligible for employment insurance but we do not talk about that figure. We also do not talk about the fact that for the last five years and into the next couple of years, CPP increases totally wipe out the EI premium decreases. There is a net loss to individuals and businesses. That means that small businesses, and remember that is most businesses in Canada, are going to employ fewer people, are going to have more overhead costs and are going to have a greater chance of failure. This may not affect the big guys but it sure does affect the 90% of Canadian small businesses.

What about the 11% increase in HRDC grants? I know it is in the right phase of the cycle to be increasing because if we look at HRDC grants and contributions, they go with elections. The year after an election they are at their lowest point. As we get closer to an election, grants and contributions increase. One could say it is natural that in the 2000 budget there would be an 11% increase in grants. What about those grants? We have heard much in the House about the boondoggles. Where it gets right down to the nitty-gritty would be something I experienced last Sunday.

A band in my community is leaving this coming Sunday for Australia. It is going to be accompanied by a number of teachers and parents. This band is doing a cultural exchange and wanted to leave something in Australia that was a celebration of the millennium from the town of Innisfail in Canada to the town of Innisfail in Australia where it would be spending three weeks. The cost was under \$1,000 for a plaque. The government chose to say in a letter to the band that this was not a very good millennium project, that it does not really help Canadians to be good Canadians, to be proud Canadians.

When I wished them well at the band concert on Sunday, I felt sorry for the government for the letter that was read to the parents and the students. Many people said to me after, "What about the \$250,000 for a fountain in the river? How about the canoe museum? How about the armouries with a good view of the fountain?" They asked about the \$7 million spent on golf courses and sock factories. They asked how it was possible to be ineligible for any funding for a project that was truly, I believe, a millennium project. The only answer I had was that perhaps they had voted the wrong way. That is a sorry commentary in a democracy.

There is another example in my riding and I should have brought the letter to read but I can paraphrase it. The letter was from the

Government Orders

Deputy Prime Minister. The Alberta Sports Hall of Fame is celebrating 100 years of sports in the province of Alberta, Canada. It wanted to do a special display for all Albertans who had been on Olympic teams representing their country over the last 100 years. If that is not a millennium project, then I do not know what is.

The letter from the Deputy Prime Minister indicated that this project did not qualify because it was asking for 100% funding. The community raised \$3 million to build the building which is finished and opens next month. The cost of the celebration of the Alberta athletes who were in the Olympics for Canada was going to be \$750,000 of which \$500,000 has been raised.

• (1545)

They were asking for funding from the Government of Canada for a millennium project to celebrate 100 years of Canadian athletes coming from Alberta on Olympic teams. The answer from the government was that it did not fund projects 100%, so it denied their request for the millennium project. There was \$3 million raised in the community of which \$500,000 was for that particular project. That is not 100% funding coming from the federal government. That is the kind of stuff that happens with these grants. We have to be from the right place and not a safe seat or something like that in order to get that. People in my community do not find that very appealing and are not pleased with the budget raising the grants by 11%.

Let us talk about health care. How did this budget deal with health care? It gave \$2.5 billion over four years for the subject that all Canadians are concerned about. Seventy-five per cent of Canadians polled say that they are worried about their health care. A poll done by the department which was released yesterday said that 70% of Canadians felt this budget did not give enough money to health care.

The government says it has returned all the money. How does it figure that? It is difficult to explain but let me attempt to. It says that there are tax credits that make up half of its donation to the provinces. Where did that come from? In 1977 the provinces and the federal government agreed on these tax point transfers. Immediately upon doing that, the federal government raised its taxes. The provinces were to have room to raise their taxes. But they could not do it because the federal government had already filled the space for that tax. They would have had to raise taxes and take the blame for raising them for health care. The tax credit is really a figment of the government's mind. The money is really not there.

Let us talk about actual transfers of cash. What has the government done with that? In 1993 the cash transfers were \$18.8 billion for health care. In 1994 they were \$18.7 billion. In 1995 they were \$18.4 billion. In 1996 there were \$14.8 billion. In 1997 they were \$12.5 billion. In 1998 they were \$12.5 billion. In 1999 they were

\$14.5 billion. Guess what? Over the the next four years they will be \$15.5 billion. Remember, they were \$18.5 billion in 1993.

What has happened in between besides inflation? There has been improvement in technology. Increased costs in our health care system and medication have gone up by 17% per year. These have not been accounted for in the cash transfers to the provinces. Why does the health care system have a real crunch right now? Because of the lack of funding. Who is to blame? It is not just the provinces. The federal government can be blamed for it as much as the provinces.

This government does not have a vision for health care in the 21st century. We have a 1960s state run socialized health care system that would compare to North Korea and Cuba. We do not have a health care system that would compare to any of the industrialized countries. We are rated 23rd out of 29 in terms of health care in the industrialized world.

• (1550)

We are in fifth place in spending on health care. We have fifth place spending with 23rd place ranking in our health care delivery. There is certainly something wrong there.

I should state that we are opposed to two tier, U.S. style, for-profit health care. I am sorry that the hon. member who alluded to that earlier has left the Chamber. We are opposed to that. We can clearly state that we do not believe in that. That is not what Canadians want. Canadians would like to be in the top third of OECD countries in the delivery of health care. That is what they would like.

This budget did not deliver that. Last year it was \$11 billion over five years. This year it was \$2.5 billion over four years. That is after taking out \$26 billion. That is just not good enough. The responsibility stops right here and it stops with this budget.

The other fact concerning health care that we should be emphasizing is co-operation with the provinces. We need to co-operate with them to solve a problem that is a Canadian problem. The people in my constituency and in the Ontario constituencies I have visited are not interested in who does it, what is happening, or all of these facts and figures. They want to have a better health care system. They do not particularly care whether it is federal, provincial or whatever. They just know that there is something wrong.

We could go through all the problems, but I do not believe we need to do that. I think we can simply say that we must fix that system. How do we do it? We have to do it by co-operation with the provinces. What do we do to the provinces? We have our drive-by smear that occurs. We have the taunting and the constant attacks on the Government of Ontario. We have Mr. Romanow and even Mr. Tobin asking for things and the government treats them the same. One cannot even say it selects the people it picks on. This government bullies the provinces. It does not worry about co-oper-

Government Orders

ating with the provinces and, of course, that is why the health care system of this country continues to deteriorate.

Canadians want that fixed and they expected that in the budget. Certainly our health minister was the big loser at the budget table this year when one considers that grants and boondoggles got as much money as health care. That is a disgrace, Mr. Speaker, just as not touching that debt is a disgrace.

What about taxes? There was tampering with the tax system again, but it was not adequate and not what people really needed. We need to have a level playing field if we are going to compete. We have 85% of our trade with the U.S. We need a level playing field and that certainly has to be in the area of taxation. It was disappointing.

With respect to agriculture, what did we do for our farmers? We did nothing. We showed no interest in agriculture whatsoever in this budget.

Finally, in terms of Canadian influence around the world, the international perspective of the government, our position in the world, was probably at its peak in 1945. Mr. Pearson did a lot to maintain that, but where have we gone since then?

I am disappointed to say that in all the travelling I have done, I have seen a decline. I have seen our peacekeepers, great men and women, working hard in counties with 40 year old equipment. You have seen them, too, Mr. Speaker. What are we doing to our NATO and NORAD partners?

I was not happy with this budget.

Mr. Roy Cullen (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I listened to the arguments of the hon. member for Red Deer. The alliance party has had a number of different names, but I think we could safely call it the party of hypocrisy. I do not know if it is a movement or a party. Someone suggested it is a movement, but I think it is a party.

There are many different flaws in the hon. member's argument. I would like to focus on just a couple of them, if I may, Mr. Speaker. First, I find it very hypocritical when the member stands up in the House and talks about the debt whereas in fact their proposition when they ran with their platform would have meant that the government would have been out of deficit two years later than what this government did, which would have meant of course that the debt would have increased even more quickly. I find it quite irrational for this member to get up in the House and make those comments.

● (1555)

Canadians must be confused with this issue about tax points. Let me explain if I might for the member opposite how it works. In

1977 the federal government vacated 13.5 percentage points of its personal income tax and 1 percentage point of its corporate income tax. In other words the government said "We are not going to charge citizens and corporate Canada as much federal income tax, so we invite you, the provinces, to move into that area. You charge citizens and corporations more tax". Do you know what, Mr. Speaker? That is exactly what they did.

The argument that the federal government later increased taxes and the provinces did this and the provinces did that is totally irrelevant. When the federal government vacated that tax room, the provinces immediately filled it. Since 1977 the world has changed. There have been a lot of things happening up and down, back and forth.

When the member talks about expenditures, the level of expenditure for direct program delivery of the federal government is down \$4 billion from 1993 while at the same time our transfers to the provinces have been totally restored. Surely that says something about the priorities of this government. Our direct program expenditure is down \$4 billion and the transfers to provinces have been completely restored.

Therefore, I find the member's arguments spurious in the least. The members talks about the grants and contributions going up in this budget. I am wondering if he understands the fact that the grants and contributions in the year 2000 budget are composed of \$900 million to the Canada Foundation for Innovation so that Canadians can be more innovative and have a more innovative economy. It also includes the research chairs to establish us as a pre-eminent research nation with our universities, our students and our professors. Those are just two. I could go on and on.

I wonder if the member could clarify his understanding of the debt and tax points because clearly he was muddled when he first started out. I wonder with these comments if perhaps he has absorbed that and he could rethink what he proposed before.

Mr. Bob Mills: Mr. Speaker, it is just amazing after one has been here for a while to see someone with their head in the sand. Someone who believes his own propaganda is even more amazing. The member does not even have a questioning mind for some of that information and obviously cannot even get the name of our party correct. That has to be another slur on that member's mental ability.

The Liberal propaganda says yes, in 1977 they transferred the tax room. Then they immediately started to raise taxes and by 1986 all of that tax room was used up by the federal government. From then on there is not a dollar left in there.

The fact that the government continues to say that of the \$81 billion that is spent on health care in this country, provincial and federal, it transfers \$14.5 billion this year, that is not 33% as it

Government Orders

claims. It would have been in 1977 but if it goes that far back in terms of its propaganda, it obviously needs some research assistance as well.

There is \$4 billion less in spending. Is that not something when \$43 billion is spent on interest payments? Is that not something to stand up in the House and crow about, that the government has actually cut spending by \$4 billion when it is paying \$43 billion in interest, getting nothing, no services for it and the government is proud of that?

• (1600)

As far as the research grants which were mentioned, we are in the bottom third of OECD countries when it comes to technology and health care. That is nothing to stand and brag about. We are losing half our graduate doctors. Of the 16 universities training doctors, the number of specialist courses has been cut on a yearly basis. That is something to talk about. Funding should be returned to those programs so that we can fix our health care system.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the member indicated that Canada pension plan premiums were going up and would offset some of the amounts that were decreased with regard to EI premiums and taxes. He is quite right.

Would the member agree that historically we have had five workers for every one pensioner and that current pensioners are getting about \$8 for every \$1 they put in? Forward planning and the actuarial numbers show that there will only be three workers for every one pensioner.

Would he agree that it was necessary for the premiums to go up to sustain the plan? Those premiums do not go into the government general revenue but are over on the side. Would the member agree that the role played by the federal and provincial governments to sustain the Canada pension plan for all Canadians was the right thing to do?

The member said that they were not in favour of a two tier health care system. He was emphatic, very emphatic. He is nodding his head. This is something they could not possibly tolerate, at all. He is still nodding his head.

Given that fact, could the member for Red Deer explain to the House and to all Canadians why they have not drummed the member for Esquimalt—Juan de Fuca out of their party? He is currently running for the leadership of the Canadian Alliance on a platform of establishing a two tier health care system, one for the rich and one for everybody else.

Mr. Bob Mills: Mr. Speaker, first I will deal with the CPP. That plan is flawed. It was first introduced in 1966. Two years later the people who built the plan said that it would not work. From there

on, governments ignored that advice and continued to build up the debt and the liability on that plan.

How do we fix that plan? We would have to charge, as most actuaries say, somewhere around 15% to fix it. If we start charging 15%, obviously young workers will be on the picket lines. What can we do about it?

I did an interesting project. I went to Santiago, Chile, which has had a program for 26 years. I went door to door. I went to the poor communities. I went to the middle class communities. I went to the wealthy communities. I asked them to tell me about their plan. They came out their doors with a card showing the pension plan they invested in, plan A, plan B, and plan C. It is government run. It is compulsory. It is 10%. It is there. They can watch it. They buy their groceries at the stores in which they have shares. They buy their cars from companies in which they have shares. They are proud of it. It is sustainable. The money is there in the country to invest. They do not have any foreign debt because of it.

Mr. Paul Szabo: You said scrap it.

Mr. Bob Mills: The member will not try anything new. He is not prepared to try anything new. Some members across have their heads in the sand.

The final point is that we are not Liberals. We are the Canadian Alliance Party. We believe in democracy. If somebody running for the leadership wants to talk about something, he or she has a right to do it. We do not throw people out like the party on the other side.

• (1605)

Mr. Jim Pankiw (Saskatoon—Humboldt, Canadian Alliance): Mr. Speaker, I am pleased to enter the debate on the budget implementation act. I commend my colleague from Red Deer on his response to that ridiculous question from the Liberal member opposite. He pointed out that the Canada pension plan is flawed.

One of the reasons I got involved in politics was that I resented the Liberal way of mortgaging the present on the future, making future generations pay for its excesses in the present. That is irresponsible and morally corrupt. On behalf of my children and all other children in Canada, I got involved in politics so that we could stop that type of destructive, irresponsible behaviour by the government.

There are three parts of the budget implementation act I would like to specifically address. One is the portion of the act that amends the Federal-Provincial Fiscal Arrangements Act to implement a \$2.5 billion increase in the Canada health and social transfer over four years.

The fact of the matter is that transfers from the federal government to the provinces were \$18.5 billion per year when the Liberals came to power in 1993. They were reduced to \$11.5 billion and

Government Orders

now they have been increased to somewhere in the neighbourhood of \$14 billion, still about \$4.5 billion a year short of the funding that was in place six and a half years ago.

It is worthwhile to note that if we add up the cost to the health care system over the years of Liberal government there has actually been a shortfall or deficiency of \$25 billion compared to the funding levels we had in 1993. That does not even account for inflation or population growth.

Health care has been terribly underfunded by the government in favour of spending the money on wasteful government programs and not in favour of tax cuts. The billion dollar boondoggle in the human resources department, the misappropriation or misallocation of grant money, is a good illustration of irresponsible behaviour and skewed priorities where the Liberals refuse to fund social programs that Canadians care about, such as our health care system, in favour of handing money to their political friends. That is tax money, I might add, paid by hard working Canadian families.

I would also like to address the amendment to the Excise Tax Act to allow the Minister of National Revenue to obtain judicial authorization to immediately assess and take action to collect from a person GST-HST deemed remittable by the minister. Suffice to say, I am opposed to that because it broadens the already coercive tax power of the government by granting even further powers to the Minister of National Revenue. When the Canadian Alliance forms the government we will be looking at measures to protect taxpayers and at having fairer methods of assessment and collection instead of a heavy handed, uncaring and unfeeling Liberal minister.

The Income Tax Act will be amended as of January 1 of this year to reinstate full indexation of the tax code. That is a move we have been urging the government to take ever since it took power in 1993 because of the insidious, sneaky way our taxes were going up year by year as a result of bracket creep. Tax brackets and personal deductions were not indexed to inflation.

Although the government has finally corrected this and finally listened to us after six years, it did not do so in any retroactive fashion. In order to reintroduce indexation it should have calculated the loss to taxpayers over the years by the fact that there was no indexation and then implement provisions whereby taxpayers would be able to receive the benefit of that.

● (1610)

There are numerous parts of the budget which I want to address, but in consideration of some of the debate which took place earlier in the day I will start by covering a brief history to where we are now.

I am referring in particular to a speech made by a Progressive Conservative member. It might have been the House leader. He was trying to justify the massive increase in our national debt that occurred during the Mulroney government, the nine year reign of

error by the Conservatives. He was addressing the deficit which grew to enormous levels under their leadership.

When the Conservatives came to power in 1984 the national debt stood somewhere around the \$200 billion mark. It was increasing as a result of deficit budgets by the previous Liberal government. The Tories at that time were in a unique position to reverse that trend and bring responsible fiscal management to government. They could have eliminated the deficit very quickly and very easily and began paying down the \$200 billion debt. Instead, they embarked on the largest expansion of government in the history of our country.

Over a nine year period they increased taxes 71 times, but government spending far outpaced their tax increases to the point that annual deficits, by the time they left power nine years later, were over \$40 billion a year. They added \$300 billion to our national debt, more than doubling it. The fact that party is now on the brink of elimination is fitting, considering the fiscal mess it left our country in.

At this point I will discuss the legislative agenda of the Liberal government. The budget implementation act is full of flaws which we are illustrating for the benefit of the House. I want to put that in the context of the legislative agenda of the government. Not only is the budget deficient in many ways, but instead of addressing the areas of concern the government is on a very hollow agenda which lacks vision and is irresponsible.

I am referring to the fact that two days ago we debated in the House an act to extend marital benefits to gay couples. We have a \$600 billion national debt. We have unreasonable levels of taxation. Yet the government is preoccupied with redefining marriage.

We have pressured the government for the last six years to reform the Young Offenders Act, to introduce a victims bill of rights into our criminal justice system and to address the problems in our prisons and the problems with parole. Many reforms are needed to the justice system and there was no response from the government.

Another illustration of its lack of vision and lack of responsibility is the child pornography issue. The government refuses to act. Last June the official opposition put forward a supply day motion on that topic urging the government to intervene, invoke the notwithstanding clause and enforce the law which made child pornography illegal, but it refused to do so.

● (1615)

The HRDC billion dollar boondoggle is very telling. We have a taxation system that is in dire need of repair and reform. The government in the budget has increased funding to HRDC. We are going to see more grants, more patronage, more suspicious payoffs and transactions.

Government Orders

I will illustrate a few examples. It is my understanding that the president of the Liberal constituency association in the riding of the minister of Indian affairs received a grant of about \$150,000, which actually exceeded the legal limit of grants under the program from which he received it. Not only was there a patronage payoff for his political activity on behalf of the Liberal Party, but under the grant program that it used to administer the patronage payoff the law was even broken with respect to that.

Mr. Paul Szabo: Mr. Speaker, I rise on a point of order. With due respect, I believe that an allegation of some payoff in any form attributed to a minister is an inappropriate allegation for this place and perhaps you could rule it not parliamentary.

The Deputy Speaker: The Chair is more concerned that the hon. member concluded by saying that it appeared that the law had been broken. I am sure that he would not want to suggest that any member of the House had broken the law, unless he chooses to take the appropriate steps, which of course have serious consequences. I know he would not want to say that and I hope he would retract those words and continue with his remarks.

Mr. Jim Pankiw: Mr. Speaker, I would like to clarify that. What I was referring to was the fact that the guidelines for that grant program were not adhered to. That is what I meant.

It is rather ironic that the member for Mississauga South would raise this point of order with you, Mr. Speaker, given the fact that he is remarkably silent when it comes to advocating and demonstrating any support for families, despite the fact that he pretends to be an advocate of family values. However, when the measure of that is put to the test, he fails repeatedly. I am referring to the fact that he continues to support the Liberal agenda, the anti-family agenda of overtaxing families, of unfair taxation, of refusing to defend the definition of marriage, and the list goes on.

One area of concern has to do with employment insurance premiums. They are about 18% in excess of the break-even point of the EI fund. The government is taking this excess money, which is in the neighbourhood of \$7 billion a year, diverting it to the consolidated revenue fund and spending it on HRDC grants and other scandalous programs.

This is very offensive to hard-working Canadians who pay these employment insurance premiums for the purpose of receiving benefits if they become unemployed. The government is violating the intent and the spirit of the employment insurance program.

Equally important, I would like to point to an issue that really needs to be addressed. Not only is the overpayment unfair in that respect, but municipalities are public employers and, as such, municipalities across Canada pay EI premiums, as well as their workers. All of that money comes from property taxes.

The purpose of property taxes is supposed to be to provide services to properties and projects in the local municipalities. However, by virtue of the fact that there is an overpayment of EI premiums, in effect what is happening is that the property taxes being paid to local municipalities to provide services to those communities are being funnelled into the consolidated revenue fund of the federal government. Property taxes are ending up being spent to support aerospace companies in Montreal, instead of the communities for which they were intended and where they belong.

• (1620)

That is a good illustration of why the EI overpayment is unfair. It is an excessive tax on workers and employers. When the Canadian Alliance forms the government we will immediately lower EI premiums to the break-even point and stop that unfair taxation on property owners and hard-working Canadians.

The Liberal government is spending hundreds of millions of dollars on gun registration. That has to be the absolute height of stupidity, making law-abiding, responsible firearms owners register their firearms. What possible benefit do taxpayers get for this massive expenditure of money? Need I remind the government that criminals do not register their guns? Whether a gun is registered will not determine whether it was used in a crime. In fact, it places responsible firearms owners at the risk of potentially being implicated if their firearms are stolen and used in the perpetration of a crime.

The relevance of this is that taxpayers are being forced to shell out very sizeable amounts of money. I think that at last count the cost of the gun registration program was over \$300 million, but I stand to be corrected.

An hon. member: It was \$316 million.

Mr. Jim Pankiw: It was \$316 million, and it is projected to exceed \$1 billion. Just imagine the benefits taxpayers could reap if that money was left in their own pockets.

It is very insulting for hard-working Canadian families to pay such high levels of tax and then to see that type of waste.

I represent a riding in Saskatchewan. Last Friday the Prime Minister appointed a person from Saskatchewan to the Senate because there was a Senate vacancy. The Senate is another example of waste and patronage. I have been advocating an elected Senate for several years, as has our party since its beginning. The Prime Minister also appointed someone from Alberta that same day. I would like to point out to the House that not only is the Senate in its current form useless and a waste of money, but when the Prime Minister appoints senators—

The Deputy Speaker: I hesitate to interrupt the hon. member, but I know that he has read the rules of the House repeatedly and he knows that it is wrong to speak disrespectfully of the other place. I

Government Orders

would ask him to be very careful in his choice of adjectives. “Unelected”, of course, is fair game, but I think he wants to be careful about the words he just used that might have been disrespectful of the other place. I know he would not want to be.

Mr. Jim Pankiw: Thank you, Mr. Speaker. In fact, we could have great respect for the Senate if it was elected and if we had an equal number of senators from each province, which would balance the problems we have in the country. Representation by population with regional concerns could very effectively be addressed and balanced by having an efficiently functioning Senate, with equal numbers from each province elected and, therefore, democratically chosen by the people, as opposed to being appointed, which only adds to that feeling of western alienation when an Ottawa-based Prime Minister appoints someone to represent us.

• (1625)

I know the people of Alberta feel the same way. They have a senatorial election act and they have elected two senators in waiting. They are asking the Prime Minister to respect their democratically chosen people, but the Prime Minister continues to excite western alienation feelings by ignoring the expressed will of the Alberta people and appointing his own people to the Senate.

I have been urging the Premier of Saskatchewan to enact a similar act so that we could elect our senators. We could have senators elect, or senators in waiting, so that the next time there is a vacancy we could plead with the Prime Minister to appoint our choice for Senate representation. I hope that the Premier of Saskatchewan will eventually come around to my way of thinking.

I also want to point out that there is an agriculture crisis on the prairies. It is a very severe situation, due to factors for which the government is responsible, such as an inefficient grain transportation system. The Canadian Wheat Board is an Ottawa controlled marketing system for our grain in the west.

Liberal priorities are skewed. Instead of lowering taxes for farmers and helping them through this crisis, instead of reforming our grain marketing and transportation systems and bringing forward responsible legislation, the government brought forward this budget which will continue to gouge Canadians, making us continue to pay excessive levels of taxation, and our money will be wasted.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I think the House, and probably all Canadians, would take note that the member was admonished at least twice during his speech for inappropriate, unparliamentary remarks.

In fact, there were many others, but I took personal offence to his comment about me and my commitment to the family, to children, and to the institution of marriage.

When I became a member of parliament I made a commitment as a private member to do some things which I felt very strongly about. I would like to list a few for the member’s edification.

The first bill I introduced was Bill C-237, which had to do with income splitting between spouses, so that one spouse could stay at home to care for pre-school children.

Then I introduced the conversion of the child care expense deduction to a credit so that there would be fairness and equity in terms of the tax benefit to the family.

Since I became a member of parliament I have written five books. I wrote a book called *Divorce: The Bold Facts*. I wrote a book called *Strong Families Make a Strong Country*. I wrote a book called *Tragic Tolerance of Domestic Violence*. I wrote a book called *The Child Poverty Solution*. I have just issued, last month, a book called *Fetal Alcohol Syndrome: The Real Brain Drain*.

If the member would like to see those, he could look them up on my website. They are all available on paulszabo.com.

If the member wants to know about my commitment to the definition of marriage as being the lawful union of one man and one woman to the exclusion of all others, he should check the transcript of the justice committee when the amendment from the justice minister came forward. He would see that there was one person who spoke up to make sure that the motion was relevant and acceptable to the chair of the committee. That person was me. I spoke on behalf of the government to make sure that the motion was there and that the definition of marriage was incorporated into that statute of Canada.

He could look at Motion No. 30, which deals with the caregiver benefit for those who provide care in the home for pre-school children, the chronically ill, the aged or the disabled. It is my motion. It passed in this place by a vote of 163 to 29. In the following election it was in the platform of this party. In fact, it is in the Income Tax Act now. There are caregiver benefits for those who provide care for an aged parent.

He could look at the increases in the child tax benefit. If he looked at the report called “Investing in Children and Valuing our Caregivers”, he would see that recommendation and he would see that I was the author of that report.

If he were to look at Bill C-204, he would see a bill on extending parental leave to a full year—

• (1630)

Mr. Maurice Vellacott: Mr. Speaker, I am poised with bated breath waiting for the question. I would expect that we would get to the relevance of the long diatribe and get to a question with respect to the member opposite.

Government Orders

The Deputy Speaker: It is questions and comments. The hon. member for Mississauga South indicated at the outset that he was provoked, so I guess we are getting the result of the provocation in spades.

Mr. Paul Szabo: Mr. Speaker, let me just conclude with Bill C-204, a private member's bill. The member knows how difficult it is to get private member's bills acted upon in this place.

He will also know that in the budget that we are debating here today there is a provision to extend parental leave under the EI plan to a full year, and that is my bill. So that the member will know very clearly now and for all time, my commitment to the family is clear. I hope that he restrains himself in the future from ever casting aspersions on me or any other member in this place when he does not know what he is talking about.

Mr. Jim Pankiw: Mr. Speaker, the first thing the hon. member said when he got up to make his comments was that he felt I had said something inappropriate. As you know, Mr. Speaker, while I was speaking, that member made a bodily gesture to me that was very inappropriate and which you saw. I believe that is somewhat hypocritical of him to say that. He talks a mean talk.

I support family values. He mentioned some book he had written on income splitting but guess what, he voted for the government budget. He supports the government which does not allow that. Although he says he opposes the tax discrimination against families, he supports it. How does he justify the fact that he voted as he did on Tuesday night to change the definition of marriage?

He also mentioned a book that he said was a child poverty solution.

Mr. Paul Szabo: Mr. Speaker, I rise on a point of order. With due respect, the information the member just gave is incorrect. In fact it is exactly the opposite of what he said.

The Deputy Speaker: I am afraid we are on a point of debate here.

Mr. Jim Pankiw: Mr. Speaker, he mentioned child poverty solutions. I submit to that member and to the House that the best solution for our children is to lower the tax burden on parents so that they have more money in their pockets instead of shipping it off to Ottawa to be wasted on Liberal patronage programs.

Although the member tried to suggest that he is a defender of families, his actions in the House in support of the government budget, in support of changing the definition of marriage and in support of the other anti-family measures the government insists upon embarking on, to that I say actions speak louder than words and his actions in attacking the family by the way that he votes is deafening.

Mr. Rick Laliberte (Churchill River, NDP): Mr. Speaker, I rise on some points that the hon. member mentioned.

Words like "representation by population" are nice words. Another honourable aspect of that would be to see a collective effort in the country to try to correct our whole correction system. This budget highlights an increased budget for the RCMP. Representation by population is very interesting to me because I believe the correction institutes have a high population of aboriginal people. We have communities that have many run-ins with the law. If we look at the court dockets, many aboriginal people have been lined up on these dockets in many communities and in many court situations.

Maybe the relationship between the law abiding citizens and the law keepers, the peace officers and the aboriginal community would be much better served if there were measures to involve and recruit aboriginal people to the policing institutions and the corrections institutions on an equal basis to have racial tolerance amongst our population as we work together.

Could the hon. member answer that?

• (1635)

Mr. Jim Pankiw: Mr. Speaker, there are a couple of things here. First of all, the hon. member referred to the high percentage of aboriginals in prisons. When we look at the crime statistics in the province that I come from, in Regina the ratio of crimes committed by aboriginals to crimes committed by non-aboriginals is 10 to 1 and in Saskatoon it is 12 to 1, so we would naturally expect that the higher percentage of the prison population would be aboriginals.

I would like to say that a lot of social problems that plague the aboriginal community are caused by the failed policies of the Liberal government. Until we make all of our aboriginal people in Canada full and equal participants of society, we will not have racial tolerance or racial harmony, but instead, continued discriminatory views and the continued cycle of poverty and dependence among the aboriginal community.

I hope that hon. member realizes that and that he will support the Canadian Alliance efforts when we form the government to help aboriginals become full and equal participants of our society.

* * *

MESSAGE FROM THE SENATE

The Deputy Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed certain bills, to which the concurrence of this House is desired.

*Government Orders***ROYAL ASSENT***[Translation]*

The Deputy Speaker: Order, please. I have the honour to inform the House that a communication has been received as follows:

Rideau Hall
Ottawa,

April 13, 2000

Mr. Speaker,

I have the honour to inform you that the Right Honourable Adrienne Clarkson, Governor General of Canada, will proceed to the Senate chamber today, the 13th day of April, 2000, at 6.00 p.m., for the purpose of giving Royal Assent to certain bills of law (C-6, C-9 and C-13).

Yours sincerely,

Judith A. Larocque
Secretary to the Governor General

There was some talk about our national debt. I take a great deal of interest in this, being a chartered accountant. People tell us about the size of the numbers and that it concerns them.

I remember not too long ago the Fraser Institute did a research study in which they tried to assess the valuation of Canada. Excluding the land value of Canada, they found that the assets of Canada exceeded some \$3 trillion. To put that in perspective, we would probably be in a better position to be able to respond to people who would somehow suggest that Canada would be bankrupt in view of the fact that there was a \$577 billion national debt. It is not the case. In fact members have said "There is only \$3 billion going into paying down the national debt".

• (1640)

In this last budget there was that provision for the pay down of debt, but that is not to be extrapolated out for all time to say that it is only going to be \$3 billion. In fact the economy continues to grow. Interest rates remain at relatively low levels. Our unemployment rates are lower than in the last 25 years. Canadians are working again and the economy continues to be very strong in Canada. That is good for people to be working and for our economy to be growing. It means that as we move forward and as we address the needs of our health care system as well as the other needs to stimulate and to innovate in Canada that we will be paying down the debt in an accelerated fashion.

GOVERNMENT ORDERS*[Translation]***BUDGET IMPLEMENTATION ACT, 2000**

The House resumed consideration of the motion that Bill C-32, an act to implement certain provisions of the budget tabled in Parliament on February 28, 2000, be now read the second time and referred to a committee.

The Deputy Speaker: It is my duty, pursuant to Standing Order 38, to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Yorkton—Melville, Human Resources Development.

[English]

I should also advise the House that we are now commencing a period of 10 minutes speeches in this debate.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I apologize to the House. I was a little outrageous with my tirade about the family. I feel kind of strongly about the issue. I do respect the rule of law. We will live to fight another day and defend the sanctity of the institution of marriage, if that is what the member is referring to.

I would like to spend my ten minutes talking about some of the issues that have been raised by the opposition with regard to this budget.

When the government took office in 1993, the annual deficit was some \$42 billion each year. That was another \$42 billion being added to the national debt. We do not just wipe out \$42 billion of deficit in one year. The government had a platform of the day to reduce that amount to 3% of GDP during its mandate and it exceeded that. The facts are that the government managed to balance the books of the country to get our fiscal house in order two years earlier than the Reform Party itself had said it would during that election and in its election material.

The debt levels that we see in Canada today would actually have been worse under the Reform Party simply because of its commitments that it made in their own platform.

When we took office the debt to GDP ratio was some 70%. According to the budget documents that the members have and Canadians have that debt to GDP ratio will be below 50% and a full 10 percentage points lower than the recommended level of the auditor general.

One of the members talked about quality of life issues between Canada and the U.S. It is an issue that I would really like to have the House debate and perhaps study. When we consider the differences in the whole mix of the environment in the U.S. compared to Canada, we just cannot compare it and say "The tax level is different than it is over there". It is not just taxes. Quality of life issues are very expensive. If we are going to have the quality of life that we have in Canada, if we are going to earn the

Government Orders

recognition of the United Nations for six years in a row of being the best country in the world in which to live and to work, it takes investment in our people. It takes investment in the country to make sure that we continue to sustain that standard which is recognized around the world.

On top of that the members will know that health care is included in our taxes. We pay for it in our taxes, but in the United States they do not. They have to pay extra taxes. The last time I was in the United States I remember asking a taxi driver about his family. He said, "I have two children. There are four of us". He said he was paying \$7,000 U.S. per year for his health care costs. That is a very significant amount that Canadians do not incur because it is part of our tax burden.

We know that taxes have to come down and we know that they have started to come down. We also know that the finance minister has made two important commitments and that is the money for health care will be there once we get the plan right on how to fix health care. It is not just a matter of throwing more money at the same way of doing health care. We have to fix the system and make sure it is meeting the needs of Canadians. I think that is a responsible thing to do. That is why the provinces and the federal government are talking today about how are we going to address our health care requirements and also ensure that we have sustainable funding for a secure health care system for all time. That is a responsible way to do it, and not simply throw money at it.

The issue of employment insurance came up in a couple of the members' speeches.

• (1645)

In 1993 when the Reform Party came to this place EI premiums were scheduled to go up to \$3.10. Today, as a result of the changes made just before the budget and reaffirmed in the budget, the EI rate is now down at about \$2.40. That is a very substantial decrease. Hon. members are quite right that there continues to be more premium revenue than there is payouts under EI. It is approximately \$6 billion.

It would be easy to say that we should reduce the premiums, but if we were to enter a recession as deeply as we did in the early eighties, in one year alone the deficit under the old rates would be about \$12 billion. We have already lowered the rate substantially from the levels they were, which means that the deficit on an annual basis within the EI plan could be much more than \$12 billion.

We are very fortunate to have continuous growth in the economy. More people are working, which means that more people are paying premiums and less people are collecting benefits. That is very important.

We have been reducing premiums and the government has made a commitment to continue to reduce premiums. That is an impor-

tant signal to businesses that we are committed to supporting and stimulating the environment through investments, through grants and through other incentives, by working with businesses to make sure there is an environment in which our economy can continue to grow and continue to employ as many Canadians as possible. Those are some of the fundamental objectives.

There was some discussion about CPP increases. When we came here pensioners of the day were getting about \$8 out of CPP for every \$1 they put in. That is a very generous benefit, but at that time we had five workers for every one pensioner. The actuaries looked at it and along with the consultations between the provinces and the feds it was discovered that with the aging of society there would only be three workers for every one pensioner in the future. This means that level of premium support for the CPP program would not be available to sustain the same level of benefits.

The only way to address it was to pay a level of premiums more commensurate with the level of benefits being given under the Canada pension plan. Based on consultations with Canadians, the provinces and the federal government, it was decided that this was the way to approach it.

I was on the committee during the study of Bill C-2. I also spoke many times in the House on it. Canadians wanted the Canada pension plan saved. I remember the Reform Party wanted to scrap the CPP, to have mandatory RRSPs and to force Canadians to contribute. They do not understand that there are people who do not have the cash to put into such programs. They are living from paycheque to paycheque.

The Canada pension plan is a shared cost between employees and employers. It ensures that all Canadians engaged in the paid labour force will accrue pension benefits for their future. That is a very important aspect.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, it is my pleasure to rise, should I say finally, to speak to this bill, which concerns the implementation of the budget.

I reiterate the broad lines of my party's criticism, which were to the effect, for example, that surpluses much larger than those revealed have been accumulated. This created a totally unhealthy situation because these surpluses come essentially from cuts to employment insurance and to the social transfers, which we are still suffering from, despite the government's having put the money back. It is far from returning us to 1994-95 levels.

• (1650)

In 2003, the provinces will still face cuts of \$33 billion. Quebec alone will absorb \$10 billion, because in the course of the process, the government changed the rules and stopped considering the

Government Orders

factor of poverty. In the Canada social transfer, from now on, the factor of poverty will not be taken into account.

This surplus is unhealthy because it is hidden. One of the ways of hiding it was to attribute to earlier years—we are beginning 2000—but primarily to 1999, major spending that otherwise should have been included as spending in 2000 or 2001. Charging the spending retroactively is one way to reduce the size of the surplus.

I want to share with the House an experiment I conducted. I brought together social groups that are used to manage budgets in my riding. I gave them a copy of the budget and said “When you have a surplus one year, can you allocate that surplus to the previous year?” They said “No, you cannot do that, this is not allowed”. But the Minister of Finance has done it repeatedly. This is not good.

It is unhealthy because these surpluses still mean drastic cuts to social transfers. They mean yet another EI surplus that will not be put back in the fund. Annual surpluses of \$6 billion are anticipated again, but that money will not be put back in the system. In spite of lower contributions, the surpluses will still be of the same magnitude.

I now want to discuss an issue that few people raised, which is extremely unfortunate. Even though this is a surplus budget and even though the money taken through cuts was not given back to the unemployed and to the provinces for health, education and social assistance, there is a sector regarding which Canada had made major international commitments. I am referring to international development assistance.

In September 1990, Canada made a commitment to the UN general assembly to achieve its objective of allocating 0.7% of its gross domestic product to international development. At the time when this commitment was made, Canada was allocating 0.48% of its GDP to international development. In 1999-2000, it was down to 0.24%.

Let me quote what the Prime Minister said when he went to Senegal, in November:

We are a rich nation and we should be able to share. . . There are many economic and social problems throughout the world. That is why the federal government's balanced approach, which consists in setting aside money to ensure the development of Canada while continuing to provide international assistance, is important.

He said that it was unacceptable that international assistance had dropped so considerably and that Canadian assistance would therefore increase from that point on, commensurate with Canada's economic growth.

He had said that the level attained was unacceptable. But, with this budget, the amounts earmarked for international development continue to drop in percentage terms.

• (1655)

This is what Bernard Descôteaux pointed out in November, when he indicated that the budget of \$2 billion represented no more than 0.23% of GDP.

I find it disturbing, and I repeat what the Prime Minister said, that a rich country is contributing so little to international development and that its contributions are growing smaller, when international development assistance is not just something that concerns others. I have two reasons for saying this.

Countries such as Sweden, Norway and Denmark have reached, on an ongoing basis, the 0.7% to which they committed. How is it that Canada's proportion keeps dropping?

The other reason it does not just concern others is that poverty has become endemic in many countries. There are billions of people living on incomes of less than \$2 a day. Famine is widespread and we know that AIDS has become endemic in Africa.

Rich nations cannot be rich alone. The Bloc Québécois will continue to urge that Canada finally meet its commitment.

[English]

Mr. Howard Hilstrom (Selkirk—Interlake, Canadian Alliance): Mr. Speaker, I am pleased to take part in the debate on Bill C-32, which my constituents need to know is an act to implement certain provisions of the budget tabled in parliament on February 28, 2000.

The bill has seven parts to it. I do not intend to speak to every part, but I do want to mention two parts of it that are actually the government's key fiscal planks from the year 2000 budget. The fiscal health of any country is reflected in the budgets it presents. The budgets indicate where the country is going. The future financial health and security of all Canadians are determined by budgets.

Budget 2000 has been presented by the government as being a very good one with lots of positive things contained in it. I give it some credit for changes that will help eliminate bracket creep, which has been a serious problem. Between 1990 and 1996 bracket creep accounted for \$10 billion that Canadians should not have had to pay had their taxes been indexed.

We need to look at what others are saying about the budget outside the House to have an impartial view, neither from the opposite side nor the government side. One of the most respected organizations in the world that looks at all countries and assesses health from an economic point of view is the International Monetary Fund.

The International Monetary Fund has urged the government and the finance minister to lower Canada's debt. The debt is sitting at

Government Orders

around \$577 billion. Interest payments in the neighbourhood of \$40 billion a year are a mammoth drag. Until we are able to reduce them, it limits our economic health and our options as to what we can do to promote the country's well-being.

• (1700)

They state that an ongoing fiscal restraint is also important with surpluses used primarily for further debt reduction and income tax reforms. It has been at least 38 to 40 years since there were any significant changes made to our Income Tax Act.

I would like to refer to another outsider speaking on behalf of the IMF, Mr. Robert Mundell. He is a Canadian-born economist who earned a Nobel prize. This is what he had to say about Canada's fiscal health, and it reflects on the budget that the government brought forward. He stated that there is a major problem in Canada, which is excessive taxes and excessive government spending. He stated that at one time the Canadian dollar was at par with or even a bit above the U.S. dollar. We see now that it has slipped to approximately a 68 cent dollar, with no hope of it coming back.

What does a country do when it gets into that situation? We have had some good examples from around the world of countries that have taken the bull by the horns and turned their economies around. The most recent case that is being used is that of Ireland. Ireland, 10 to 12 years ago, was a virtual basket case in that it was not advancing technologically and had problems retaining skilled and educated people. It began a dramatic reform of its tax system. A large component of that was the lowering of personal income taxes and corporate taxes, which gave the required incentives for private business, not government but private business, to drive the economy and keep the people in the country and working.

Getting to the exact areas that I wanted to mention, let us look at Part 4. Part 4 would enable 13 first nations to impose a 7% value added tax. It would be along the lines of a GST equivalent and would be applied to all sales of fuel, alcohol and tobacco on reserve. I am sure that the first nations have spoken with the government to negotiate an agreement and that this will happen. I am not against first nations raising their own money from their people and sales on reserve.

I think we have to look at some of the most recent issues that have been brought up by the aboriginal accountability coalition, which is primarily composed of people who are not in political control of the reserves. We find that their numbers are quite large and they have come forward with some recommendations to provide accountability on the reserves.

I bring up the accountability issue because as the first nations people gather in tax money, which is just a little different from the grants and contributions idea, there has to be a system in place to put checks and controls on those in power who will spend the money.

Even with the systems we have within the federal government, we have a very hard time keeping checks and balances and controls over a government which operates in the fashion of the Liberal government. The auditor general constantly comes out with reports which show a lack of management, a disregard for the rules and money being wasted.

One of the women I referred to, Leona Freed, was recently in Ottawa. She spoke of the very things that the reserve administrations, the elected officials, must put in place in order to have accountability and the trust of their people in how they use this tax money. I do not think the government has ever really tried to help first nations in that regard or negotiated agreements with that level of government.

• (1705)

One of the recommendations was for an ombudsman who could speak on behalf of the aboriginal people who are not used to dealing with their governments. We have provided an ombudsman for non-aboriginal people, so why should first nations people not have a similar spokesperson?

Electoral reforms are required on some reserves. I have heard of a reserve in Ontario which has an official opposition-type party that tries to hold the elected government to account.

First nations also need a free and independent press.

Recently, as reported in Manitoba, on the Peguis reserve, which is in my riding, an aboriginal newspaper reporter was covering a council activity and some public meetings and was escorted from the meetings by four security officials answering to the chief of that reserve. He was asking some very pertinent and direct questions, trying to ferret out what was actually happening with regard to the issues of the day with that chief and council.

The aboriginal people need an access to information act. That would ensure that if their government tried to hide the facts and figures about what was going on with band money, they would be able to gather information. In our case, concerning the management of the tax money of Canadians, the government always tries to hide things that are damaging to its reputation and which point to mismanagement. We find that with the Access to Information Act we in the opposition parties are able to gather information.

The reserves need an auditor general who would independently check into the financial activities of reserve administrations and report back to the grassroots people of the reserves, who would then decide at the next election who they should vote for.

This budget has certainly brought forward issues which have been discounted by the International Monetary Fund and it has not set in place proper measures for the aboriginal people of this country.

Government Orders

[Translation]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I am very happy to speak to Bill C-32, the Budget Implementation Act, 2000, and I would like to put forward some ideas.

First, in my opinion, the budget shows very clearly that if the government decided to restrict its spending to its areas of jurisdiction, Quebec and Canadian taxpayers would get the most wonderful tax cut they ever had in the whole history of Canada. If the federal government decided that it would spend only for defence, foreign affairs and other areas under its jurisdiction, there would be a lot of spending it would no longer need to do.

As a consequence, the federal government would no longer be tempted to impose national standards in areas that are not under its jurisdiction. That would also have a good result at the accountability level for elected members, because people could require adequate social programs from their provincial governments.

If, in a province like Ontario, people voted for a government providing less social programs, that would be the choice made by the population at election time. If, in Quebec, the government decided to provide more substantial social programs, that would be in accordance with the choice made by the population at election time. This would rid the Canadian system of its accountability problems.

As we know, Ontario is a perfect example of that; the Ontario government makes choices and then the Liberal federal government steps in, acting like the saviour of social programs in that province, playing the role of the good guy, of the knight in shining armour, but it is intruding in areas that are not of its responsibility.

• (1710)

The first thing we should hope that the federal government would do in the budgetary area is to withdraw from all jurisdictions where it has no business. This would be great for to all Canadians.

There are people all across Canada who wish to see that happen and we will see this developing in the next few months. It might even be a major election issue in the next campaign. This year's budget, which may be the last for the current minister and perhaps for the Liberal government, does not appeal to us. It tells us that the government wants to continue to intervene in areas that are not its responsibility and continue to collect money while not giving it back to the provinces through transfer payments for example.

Let us imagine how wonderful it would be if the 10 premiers did not have to practically beg for the money they need for health programs, if each province could use this tax field according to its vision of things and assume its responsibility, and the federal

government would give it the leeway. This would be a nice way for the federal government to ensure that, in the Canadian system, there is an appropriate accountability. There is no such thing in the current program.

I would also like to emphasize another point that seems very important to me. For the current fiscal year, there will be a \$6 billion surplus in the EI fund. In March 2001, the surplus will reach a total of \$34 billion. This means that, over the last four or five years, the federal government has borrowed \$34 billion from workers and employers across Canada in order to fund expenditures that have nothing to do with the EI system.

If we took \$14 billion out of those \$34 billion just to cushion the employment insurance system, there would still be \$20 billion left, which the federal government has collected and is using for expenditures not related to the EI system.

When pay cheques are issued every week or two, people can see that, as far as EI premiums are concerned, employees and employers are contributing a huge \$6 billion a year, which do not go to the EI system.

Just imagine what a boost it would give the economy if contributions to the EI fund were lowered reasonably or if the unemployed received decent benefits. In spite of the \$6 billion surplus for this year, the average benefits paid to the unemployed no longer amounts to 55% of their average wages, but to only 50%.

With the infamous intensity rule, the federal government's assumption, four or five years ago, was that the reason why our seasonal workers were not working longer periods each year was because they are lazy. We have on record a statement very typical of the prime minister, describing the unemployed as beer drinkers.

Today, the results are there. The third annual EI monitoring and assessment report includes a study commissioned by HRDC and conducted by Messrs Pierre Fortin and Van Andenrode, two well known economists. According to them, the intensity rule has had no effect on the number of weeks worked. Seasonal workers all across Canada are not working longer, not because they are lazy, but because there are no jobs available outside certain periods.

A 35, 40 or 45 year old worker who worked 15, 18 or 20 weeks in the woods cannot become a computer technician overnight so he can find a job for the winter. A lumberjack cannot turn into a hotel welcome host come the fall. Things do not work that way.

There is evidence. The studies are in. The government is grabbing \$6 billion a year from the EI fund while continuing to cut benefits paid to seasonal workers. Seventy seven percent of fishers are affected by the intensity rule. Soon, only 50% of EI claimants will be eligible for benefits.

Government Orders

For those earning \$100,000 a year, \$10, \$15 or \$20 a week is nothing. But a 5% cut on \$250 a week in EI benefits leaves unemployed workers with only \$235 or \$240 a week.

• (1715)

These are the \$10 or \$15 a week that are needed to buy shoes for the youngest one once in a while or are missing to pay the grocery bill every week. It is very frustrating for someone who has contributed to a plan, who has paid premiums, employment insurance premiums in this case, and who sees surpluses being racked up when he or she does not have enough money to survive or have a decent income between two employment periods.

This budget falls far short in this regard. Tax cuts are minimal for 2000. There is no improvement in the condition of the unemployed. Although the unemployment rate is going down, the poverty rate keeps going up. This is due to the fact that, whether the economy is good or bad, in the seasonal industry, there is generally no significant additional income to compensate for the loss of employment insurance benefits.

Some people today have a lower income than what they had three or four years ago, even if they work a few more weeks. When they do receive employment insurance benefits, they get less money during a shorter period.

I read somewhere in a newspaper article the words "If I were a rich man". The choices made in this budget protect the rich. The surtax has been eliminated. I am very happy to learn that some people have more money in their pockets, but if we do not at the same time make any effort to help those who earn less, it is not worthwhile, it is unjustified and unfair. And yet, this is what is to be found in the budget.

The federal government missed a golden opportunity to restore fairness in two areas, first by making sure it only collects taxes to pay for the services it is responsible for. It is unfair to the Canadian federation as a whole.

It is also being unfair to the unemployed, and is not facing up to its responsibilities to those who contribute to the employment insurance system. The current system is unfair, it is the blatant and systematic misappropriation of the money paid into the system. We still do not know how the government is going to pay back the \$34 billion it owes the workers, the employers and the unemployed of this country. Even when times are good, it cannot do it.

I would like to talk about a third issue the member for Mercier touched on in her speech and which seems very important to me. With regard to international co-operation, did you know that 75% of the aid provided by Canada is conditional?

This means that our generosity is not very genuine. During a period of economic prosperity such as the one we are experiencing

today, we have responsibilities internationally as well as nationally. I think it is very telling of the government; if it had treated the less fortunate in our society in an appropriate manner, it would have done the same at the international level.

In both cases, it is trying to save face. It is important for international aid to produce spinoffs for Canada, but is just as important to provide aid without any strings attached, to truly co-operate with people and find it a worthwhile objective.

For all these reasons, I believe the Budget Implementation Act is inappropriate. It does not go far enough and does not restore the fairness we would have expected from a government such as this one during a period of economic prosperity.

[English]

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance):
Mr. Speaker, I rise on behalf of the people of Surrey Central to participate in this debate on Bill C-32.

Generally speaking, the bill perpetuates the Liberal government's commitment to ad hoc piecemeal and random fiscal and economic policy.

The most significant change in the bill is the elimination of bracket creep. I join thousands of Canadians and the members of the Canadian Alliance who have been effective in pushing the government to recognize bracket creep. I think the credit goes to the official opposition for that.

• (1720)

The one time increase to the CHST continues to frustrate the provinces. Since coming to power, the Liberal government has cut about \$25 billion from CHST. It continues to frustrate the provinces that would like to see stable funding for health care and education rather than the incremental policy of the government.

The extension of maternity benefits simply offers more redistributive thinking. Only half of all mothers currently receive maternity benefits. The maternity or parental leave proposal excludes single income families. It excludes self-employed parents, students and parents in the workforce who do not have enough hours to qualify. It also excludes those who cannot support their families on the employment insurance rate of 55% of regular income.

The changes to the national child benefit, the Canada child tax benefits and the GST credit would benefit low income families. Part 3 returns the administration of the student loans program to the government after it had backed out. Part 4 attempts to harmonize a patchwork of sales tax agreements with the first nations bands. Part 5 broadens the already coercive taxation power of the government by granting further powers to the Minister of National Revenue.

This weak, arrogant Liberal government has tried in vain to portray itself as caring and generous. These arguments can be easily refuted.

The bill provides for no real tax relief for Canadians. Ending bracket creep is not a reduction in taxes. It only means that regularly scheduled tax increases will be postponed. The bill also does not address the government's wasteful spending and the use of taxpayer money at HRDC and other departments.

There was not a single word from the finance minister, any cabinet minister or any member of the government about the wasteful spending in HRDC, CIDA, the heritage department, the industry department or any other department. It continues the status quo by giving Canadians a little with one hand while taking a lot with the other hand.

In addition, it does not address the lack of competitiveness of our economy on a global scale. Nothing was said about international trade or about the competitiveness of the Canadian economy for investors who want to invest and create jobs.

With respect to families and parenting, we believe all families should have greater choice and we have a sound plan, called solution 17, to deliver it.

Let me point out that the political culture of this government is to tax and spend. It has been taxing Canadians to death since 1993. It has been spending and wasting taxpayer dollars and has not been accountable. It has given no information or explanation on important questions that we have been put forward to hold it accountable.

The other day we were discussing access to information. It is a blackout for the government when we talk about that.

The other point I want to make concerns the government's tax record. While the Liberals are trying to take some credit, which I said I will refute, I want to quote some statements made by the finance minister on taxation in Canada. Let us begin with the first year in which he became the finance minister.

• (1725)

In 1994 the finance minister raised federal taxes on the average Canadian family by \$898. On February 15, 1994 he said "Our ultimate goal is to lower taxes". We want to hold him accountable for that statement, but let us see what he said in 1995, a year later.

The finance minister raised federal taxes on the average Canadian family by \$779. In his budget speech on February 27, 1995 he said "Furthermore, in this budget, like last year's, we are not increasing personal income tax rates one iota".

Let us see how we can hold him accountable in the next year. In 1996 the finance minister raised federal taxes on the average Canadian family by another \$896. In his budget speech on March 6,

Private Members' Business

1996—look at his bizarre explanation—he said "This government does not rely on tax increases to hit its deficit targets—". What does it rely on? It simply relies on tax increases.

In 1997 the finance minister raised federal taxes on the average Canadian family by \$1,568. His excuse again in the budget speech on February 18, 1997 was "In not one of our budgets has there been an increase in personal income tax rates. Indeed in last year's budget, and in this year's, we have not raised taxes at all".

Anyone who knows how to calculate will find out the figures I have quoted are contrary to what the finance minister has been saying.

In 1998 federal taxes on the average Canadian family were raised by another \$237 and there was still no admission from the finance minister. He said "Let me begin by reaffirming our goal. It is to reduce taxes. It is to leave more money in the pockets of hard-working Canadians". That was in the budget speech of February 24, 1998.

By looking at these quotes, it proves that he talks the talk but does not walk the walk, and it has been proven in the last five years that I have mentioned.

The Canadian Alliance is ready to govern because there is only one solution to the problem: We have to replace the Liberals. We came up with a strong initiative, solution 17. Solution 17 would remove 1.9 million taxpayers from the tax rolls, many with young children. It would lower their taxes giving them more income and therefore more options to work part time or full time. It would provide substantial, immediate and direct tax relief for Canadians who currently pay record high taxes. It would also lead to a much more vibrant economy and greater wealth creation. It is fair and it is simpler.

I am proud to be a member of the Canadian Alliance and proud to debate and oppose Bill C-32 in this situation.

The Deputy Speaker: It being 5.30 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

• (1730)

[*Translation*]

TREATIES ACT

The House resumed from December 1, 1999, consideration of the motion that Bill C-214, an act to provide for the participation of

Private Members' Business

the House of Commons when treaties are concluded, be read the second time and referred to a committee.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, it is with a great deal of pleasure, pride even, that I rise to speak this evening to Bill C-214, introduced by my colleague for Beauharnois Salaberry.

This is a totally modern bill, in that it wishes to ensure that Parliament obtains, takes over, resumes its past role in approving important treaties. This means parliamentary democracy will come into play with respect to treaties, which increasingly concern the lives of ordinary citizens and their role within their state. There may also be very considerable consequences for the provinces.

To clarify what I am about to say, I will remind hon. members that this private member's bill has four objectives. It wishes to require the government to table treaties it has already signed, for reasons of transparency, in order to ensure that parliamentarians and the general public have access to the information.

It also calls for treaties to be approved, in order to compensate for the gap in democracy that arises out of a situation where the greater number of treaties increasingly deprives parliamentarians of power and, in a way, destroys the relationship between the power of parliaments, members' responsibility and the role of the executive of Canada, which is becoming excessive.

I should point out that this requirement for treaty approval applies solely to important treaties, defined as follows by my colleague:

any treaty

(a) whose implementation requires

- (i) the enactment of an Act of Parliament,
- (ii) that Her Majesty the Queen in right of Canada be invested with new powers, or
- (iii) the imposition of a tax by Parliament;

(b) imposing a substantial financial obligation. . . on Canada;

(c) concerning the transfer of a part of the territory of Canada. . . ;

(d) under which Canada undertakes to impose economic or military sanctions. . . ;

And continuing:

—including the transfer of jurisdiction to such institutions.

The institutions in question are international institutions.

According to my colleague's bill, these important treaties should be submitted to parliament before they are ratified. I know that certain of my colleagues have argued that already 99% of treaties involve an implementation bill. The problem is that there is nothing to back this figure up, despite the knowledge shown by my colleague who spoke previously on this issue.

Clearly, in the case of an implementation act, it is not appropriate to talk about the major components of this treaty, its relationship with the life of people, with democracy, or about the impact it may have on the life of society or about its implications for provinces.

Finally, this bill aims at guaranteeing consultation with the provinces. There would be an obligation to involve provinces having legislative authority with the implementation of treaties in an area under their jurisdiction. The wording of the bill is precise and was intended that way. The bill would guarantee respect for the jurisdiction of provinces.

● (1735)

In that regard, I emphasise that this was what the provinces called for at the 40th annual premiers' conference, held on August 11, 1999. They published the following text:

Premiers and Territorial Leaders therefore reiterated their long-standing support for an immediate formalised federal-provincial-territorial agreement on the provincial-territories role in the negotiations, implementation and management of international agreements.

I would like to add an extremely important element, which may not be generally known. Since 1966, when parliament approved the auto pact before ratification, no other international agreement was ever submitted to parliament before ratification. Yet, we know that since that time, treaties, by their content, their nature, have increasingly impacted on people's lives. For example, NAFTA has had and will continue to have a considerable impact. Why was it not submitted to parliament?

Of course, some will answer that these are complex issues under negotiation and that as a consequence it had to be done in private, in secrecy. However, what that really means is that powerful lobbies, those who can be heard by powerful people and negotiators for all kinds of reasons, are the ones who really decide.

I would even go as far as to say that, if those treaties are not submitted to parliament before their ratification, it may also be that they are not even given proper consideration at cabinet level.

Why are we so afraid of parliament? Countries like Australia, New Zealand and the United Kingdom are moving towards strengthening the role of parliament with regard to treaties before they are ratified, which means in developing them, integrating them into the statutes and assessing their impact on society. Why are we so afraid of parliament here in Canada?

Of course, I could mention the fact that, in Canada, senators are appointed, that there is no constitutional court that would be legitimate for the provinces as well as for the federal government. I could also mention the fact that we are used to a very strong executive branch. But it is precisely because of that and because,

Private Members' Business

more and more, these international treaties affect the lives of ordinary Canadians that we must convince all our colleagues in the House to give back to parliament the power it once had.

I ask the question again: What are we so afraid of? Would it not be better for democracy and also more effective if we go to see, before they are ratified, these treaties that affect the lives of ordinary citizens?

That is why we will strongly support our colleague. We already know that other parties have expressed their support. We hope to convince our colleagues opposite to take their place as parliamentarians and to play their role with regard to these treaties, which are secretly changing our lives.

In closing, I will say again that we must make sure that the provinces that have responsibilities with regard to the implementation of these treaties be involved, that parliament also be involved before these treaties are ratified, and that government be transparent, show us the treaties it has signed and table the text of these treaties. All these things are essential to democracy, to a modern democracy.

• (1740)

[*English*]

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Mr. Speaker, I rise on behalf of the people of Surrey Central to support this Treaties Act proposal sponsored by the member for Beauharnois—Salaberry. I congratulate the member from the Bloc Québécois for his efforts. Even though the hon. member and his party have more provincial concerns, they would like to smash our country apart and leave, I share his frustration with the current weak Liberal government that has no vision.

This private member's bill would require approval by resolution by the House of Commons before international treaties may be ratified. The bill also provides that the treaty be tabled with an explanatory memorandum including a summary, implications for Canada spelled out, new obligations to be undertaken, estimated expenditures, proposed conditions for denunciation or withdrawal, a record of consultations undertaken, an indication of any legislation required for implementation and a list of existing legislation requiring amendments.

The bill requires that the provinces be consulted in areas of provincial jurisdiction. It also provides for greater efforts to inform the Canadian public about the contents of the treaties through publication in the *Canada Gazette*. The bill calls for greater scrutiny of non-governmental parties consulted and sent as participants in negotiations. This seems like a long list, but it is certainly a step in the right direction. The Canadian Alliance would go even further.

The Canadian Alliance wants the House of Commons foreign affairs committee to have greater powers to examine treaties and

make recommendations. In matters of international agreements and treaties, a Canadian Alliance government would uphold the vital interests of Canada and our constitution and the individual rights of Canadians, including the right to fundamental and natural justice as being sovereign and paramount.

On behalf of the people of Surrey Central, I will be supporting this bill. But, as I have said, we on this side of the House would go much further.

Treaties are like diamonds. They are supposed to be forever. Treaties have significant and long lasting implications on international institutions, families, our environment, our resources, our economy, our taxes, our investments, trade, competition, employment and financial institutions.

International treaties affect human rights, sovereignty, security, jurisdictions, boundaries and borders, sanctions and virtually every aspect of day to day business in the lives of Canadians.

I wonder if people watching this debate realize how much the weak Liberal government ignores or cuts out the House of Commons in the treaty-making process in Canada. It is remarkable. If it is not undemocratic, it is anti-democratic. The Prime Minister is touring seven nations in the Middle East and writing Canadian foreign policy on the bus between luncheon and dinner engagements.

Most of the members of the House never see the treaties signed by the government. Most of us know nothing about them because the weak Liberal government handles them behind closed doors. Sometimes we do not know who negotiates these treaties on our behalf. Who signs these treaties? We do not know. Canadians only find out about them by reading newspapers.

Between 1993 and 2000, during the life of the Liberal government, it has signed all kinds of treaties and ratified more than half of them. This is typical of the old line traditional parties when they formed the government.

• (1745)

Typically the Tory and the Liberal governments concentrated too much power in the Prime Minister and the cabinet. When it comes to examining international treaties, not enough power is spread around our parliamentary system in the House so that a thorough examination of the treaty can take place.

The current foreign minister said to the secretary general, Kofi Annan, "We want to make the Security Council of the United Nations more transparent, more democratic, more open and to the extent we can introduce alternative options for making decisions". Why does he not try this idea at home in Canada? His preaching which he is not practising at home is so ironic that he would recommend something abroad and not do it at home.

Private Members' Business

During the previous hour of debate on the bill that proposes to make the Canada treaty process more open and democratic, the Parliamentary Secretary to the Minister of Foreign Affairs said "This bill seriously affects the division of powers in Canada and questions certain priority aspects of Canada's foreign policy". Aside from the panic on the government benches exhibited by his statement, I suppose the parliamentary secretary got it right. We are asking for the priority of secrecy and lack of input from Canadians to be scratched.

He also said "A treaty is strictly the purview of the federal executive branch". What a shame. "However, the legislative branch is still responsible for implementing the ensuing obligations". Fair enough, but how can we implement the obligations when the treaty has been signed and ratified with flaws or political positions or other things that the legislative branch of our government cannot possibly endorse?

Reading from the speech handed to him by the foreign affairs department on his way to the House, the parliamentary secretary said in the first hour of the debate "Not only do parliamentarians receive all of the information, but they play an active role in the implementation of the treaties that Canada wishes to ratify". He further stated "Because of this implementation power, parliament is regularly required to study and discuss treaties". This was an unbelievable statement from the parliamentary secretary.

He could not say in true consciousness that we on this side of the House or anyone on the backbenches of the Liberal side of the House has any power to implement or should I say prevent the implementation of any treaties signed by the Prime Minister.

This government has broken Brian Mulroney's record of cutting off and shutting down the debate in the House. Yet the parliamentary secretary in his speech tells Canadians that we have the power to implement treaties. What a laugh. What a sham. When has this ever happened? Not since 1993. That is for sure. Like Brian's Tories, the Liberals days are truly numbered.

Then the parliamentary secretary said further that Bill C-214 creates nothing new, but it imposes a tight framework on the Government of Canada for consulting its provincial partners. Good. As an MP from B.C., I know very well the western alienation ailment that the weak Liberal government suffers from. Anything we can do to get the Liberals to work with our province is a step in the right direction.

The government opposes Bill C-214, claiming that the signing of any international treaty lies exclusively with the Canadian federal executive branch. He emphasizes it because the Liberal government does not want duly elected MPs examining the secret deals reached by their Prime Minister and other foreign leaders behind closed doors.

He says "Bill C-214 adversely affects Canadian foreign policy. Crises throughout the world must not be used for partisan

purposes". Are treaties a crisis? No. Is consulting MPs in the House a necessary partisan exercise? No.

• (1750)

I know that my time is limited, but I would like to give one more quote.

The parliamentary secretary stated that Bill C-214 would slow down the treaty ratification process. What is the rush? Why do we not follow the right procedures?

We know how the government signed treaties when it came to the Multilateral Agreement on Investment, the Kyoto emissions deal and others. We know how it signed those treaties. Canadians are not informed about the implications. There is very little or no debate in the House. The treaties are signed, sealed and delivered behind closed doors.

In conclusion, I will support this bill because it is a step in the right direction. It complies with the Canadian Alliance policy according to which at least five steps are needed to bring sufficient transparency and accountability to foreign policy and treaty making process. Very quickly, those five steps are to require parliamentary ratification, including going before committee; a national interest and impact analysis or assessment; strengthen co-operative federalism with real provincial input; ensure public information; and—

The Deputy Speaker: I am sorry to interrupt the hon. member, but his time has expired. Resuming debate, the hon. member for New Brunswick Southwest.

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, this is an interesting bill before the House and one that is worthy of debate. I want to put a few comments on the record with regard to this treaties bill, an act to provide for the participation of the House of Commons when treaties are concluded.

The key word is "concluded". I do not think we want the House of Commons or elected members, although we want to be part of the process, involved in the negotiations and this bill clearly sets that straight from the outset. It is not talking about day to day negotiations but being involved once the treaty is concluded. We do understand the importance of government and leadership in government and the need for the Minister of Foreign Affairs and the Minister of Fisheries to negotiate treaties on behalf of the Government of Canada. That obviously means the people of Canada. However, at the end of the day it has to be put before the people of Canada right here in the House and that is what this bill does.

I just want to bring a few points forward which I think should lead to interesting debate on this bill. The summary of the bill states:

Private Members' Business

Under this enactment, Canada shall not, without first consulting the provincial governments, negotiate or conclude a treaty

- (a) in an area under the legislative authority of the legislatures of the provinces; or
- (b) in a field affecting an area under the legislative authority of the legislatures of the provinces.

Nothing in the Act in any manner limits or affects the royal prerogative of Her Majesty in right of a province with respect to the negotiation and conclusion of treaties in an area under the legislative authority of the legislatures of the provinces.

Here is a key phrase which I think is worthy of some more thought on behalf of the member who wrote this bill. The bill further states:

This enactment provides that Canada may not ratify an important treaty unless the House of Commons has first approved the treaty by resolution pursuant to the rules of procedure of that House.

That means this House, the House of Commons.

The key phrase in that is "important treaty". The member designates that in Bill C-214 as an important treaty and then goes on to define an important treaty, and I think it is important that we step through the definition of "important treaty".

For the purposes of this enactment, "important treaty" means any treaty

- (a) whose implementation requires
 - (i) the enactment of an Act of Parliament,
 - (ii) that Her Majesty the Queen in right of Canada be invested with new powers, or
 - (iii) the imposition of a tax by Parliament;
- (b) imposing a substantial financial obligation, whether direct or conditional, on Canada;
- (c) concerning the transfer of a part of the territory of Canada or any change to the boundaries of Canada;
- (d) under which Canada undertakes to impose economic or military sanctions, whether direct or conditional, against a State;
- (e) concerning the territorial jurisdiction of Canada, including jurisdiction by Canada over any area of the sea or air;
- (f) concerning international trade or investment or Canada's place in the world economy; or
- (g) concerning the participation of Canada in international institutions, including the transfer of jurisdiction to such institutions.

• (1755)

This leads me to conclude or deduce where that would leave us in terms of the land mines treaty which was negotiated by the Government of Canada. I think every party in the House has given the government a lot of credit for doing this, the credit going in particular to our foreign affairs minister.

Under the definition of important treaties, that very treaty would have been left out of this bill. I think that is one which should have been debated in the House more than it was.

The other one is the international law of the sea. Where does that leave us? It does mention it, but I am not sure if, under the confines of this particular bill, that definition would fit into what we consider international law, respecting our obligations as a nation on the high seas beyond our 200 mile limit.

I think the member has to take a look at that. It is something which should be referred to committee for further study. It could be an omission but we have to have some expert opinion on that.

If we listen to what is going on in the world today in terms of the refugee problem or crisis and Canada's obligation, where does that leave us? In a sense these are treaties. They are negotiations which take place at the highest levels, expecting Canada to do something.

I am just wondering whether or not that falls into the definition and whether or not it would exclude that type of debate taking place in the House.

Witness the Prime Minister in the Middle East now, making policy up as he goes along. Is that an example of what we should be debating here in the House? We are not sure.

We do not want to condemn everything the government does but we do think that some of those important issues should be debated here on the floor of the House of Commons. We do not want to make it up as we go along, which appears to be happening today.

In the world of globalization, Canada wants to be a player and wants to be involved. This is the place where it should happen.

The other point which has to be made is that there is no mention of the other place, the Senate of Canada, and the role it plays in this bigger debate. That takes us back to a debate which is going on in the other place this very moment in terms of the clarity bill. The admission of the senate in this bill, which obviously upset many senators, did not receive too much criticism here in the House because of that admission. That is one of the issues which has to be resolved that I do not see in this bill.

We look forward to the debate. I am sure the member is going to get the kind of support he needs, on this side of the House at least, to move this forward. We look forward to the member's comments. We look forward to moving this to at least the committee stage for further investigation.

[*Translation*]

Mr. Richard Marceau (Charlesbourg, BQ): Mr. Speaker, I am pleased to address this important bill introduced by the hon. member for Beauharnois—Salaberry.

The Royal Assent

This bill deserves our consideration. I hope it will make it past this stage and be referred to a committee, before finally being passed.

The first question concerning this bill may be: What is it all about?

Under Bill C-214:

—Canada shall not, without first consulting the provincial governments, negotiate or conclude a treaty:

(a) in an area under the legislative authority of the legislatures of the provinces; or

(b) in a field affecting an area under the legislative authority of the legislatures of the provinces.

• (1800)

It is important to note that nothing in this bill in any manner limits or affects the royal prerogative of Her Majesty in right of a province with respect to the negotiation and conclusion of treaties in an area under the legislative authority of the legislatures of the provinces.

The bill provides that Canada may not ratify an important treaty unless the House of Commons has first approved the treaty by resolution pursuant to the rules of procedure of that House.

Under the bill, when Canada intends to ratify a treaty, the Minister of Foreign Affairs must table the treaty in the House of Commons, accompanied by an explanatory memorandum on the subject matter and effects of the treaty, not later than 21 sitting days before it is to be ratified.

Put simply, Bill C-214 seeks to promote the participation of all of us in the House, as democratically elected representatives of all Canadians, in the process to conclude treaties.

We may wax philosophical about globalization and its importance in our lives but, at some point, we must be practical and see what it means in real terms.

I think all the members of this House will agree that an increasing number of decisions affecting each of us in our daily lives will be taken at the international level. Whereas in the past, the government or the legislative process was in the hands of people elected in certain countries, including Canada, more and more decisions are being made internationally, not by parliamentarians but by governments.

The process is a bit topsy turvey, in other words, things on various subjects are negotiated internationally and then the governments simply pass them without the people, the elected representatives in the parliaments of the various countries, having a say. This could perhaps be compared to a sort of new piece of legislation created world-wide, where there is no real democracy. We can talk

about a lack of democracy internationally and also federally or nationally.

At the end of November, beginning of December, I attended an important conference, which the members followed with considerable interest, the WTO conference in Seattle. One of the points raised in the conference by the opponents of the WTO process, was the lack of democratic control over the WTO. These opponents, demonstrators, had supporters in most of the countries, and they were saying “It is incredible that the governments are negotiating such things without the public being informed or consulted and without the people’s elected representatives having their say”.

The people demonstrating against the WTO, whether in Seattle or here in Canada and Quebec, were right in that it is important, in a world where more and more things affecting us in our daily lives are decided internationally, for the elected representatives to have their say. Such participation by MPs could be strongly encouraged if treaties were systematically tabled in the House.

Tabling treaties would have the advantage of informing members of the existence of treaties signed by the government, and that is already something, and of bringing to their attention the legal standards in them that could have an effect on Canada.

Passage of the bill would mean greater transparency in the matter, and we must not forget that greater transparency—

THE ROYAL ASSENT

• (1805)

[*English*]

A message was delivered by the Usher of the Black Rod as follows:

Mr. Speaker, Her Excellency the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, the Speaker with the House went up to the Senate chamber.

• (1815)

[*Translation*]

And being returned:

The Deputy Speaker: I have the honour to inform the House that when the House did attend Her Excellency the Governor General in the Senate chamber, Her Excellency was pleased to give, in Her Majesty’s name, the royal assent to the following bills:

Bill C-6, an act to support and promote electronic commerce by protecting personal information that is collected, used or disclosed in certain circumstances, by providing

for the use of electronic means to communicate or record information or transactions and by amending the Canada Evidence Act, the Statutory Instruments Act and the Statute Revision Act—Chapter 5.

Bill C-13, an act to establish the Canadian Institutes of Health Research, to repeal the Medical Research Council Act and to make consequential amendments to other acts—Chapter 6.

Bill C-9, an act to give effect to the Nisga'a Final Agreement—Chapter 7.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

TREATIES ACT

The House resumed consideration of the motion that Bill C-214, an act to provide for the participation of the House of Commons when treaties are concluded, be read the second time and referred to a committee.

Mr. Richard Marceau (Charlesbourg, BQ): Mr. Speaker, we had a most inopportune interruption in order to go and see someone who is not elected, but appointed, in a room full of people who are appointed because they are friends of the government. I cannot help but point out that it is sad to see—and I can see you rubbing your eyes with good reason—the work of this House being interrupted, without any consideration for the speeches that are made here.

Speeches in this House are made by representatives who have been elected and therefore have democratic legitimacy, unlike the person who signed and the people in the other place, where you went yourself, because these people are appointed, not elected.

Before this inopportune interruption, I was saying that the passing of the excellent, wonderful and important Bill C-214 introduced by my colleague from Beauharnois—Salaberry would bring greater transparency to the conclusion of treaties.

Greater transparency also means greater support by Canadians and Quebecers to the contents of the treaties. It is much more difficult to support something that we know nothing about and whose contents we are not aware of, than something of which we know the pros and cons and that we have debated.

Bill C-214 would also confer upon the House of Commons the power to approve what are termed important treaties. During the break, I was informed that my friends over there have decided not to support this bill. I am disappointed that they want to remain powerless.

Over there they could have said for once “Yes, we do want more powers, we do want more control”. Instead, they have just decided,

Private Members' Business

once again, to be the government yes-men that they are, saying “If the government says so, and does so, then it must be all right, it must be a good thing”.

They are shirking part of their responsibilities, responsibilities they should take seriously. The purpose of this bill is to allow the House as a whole, not one or another party, to have its say, as an instance of the federal government with democratic legitimacy. I suppose when one is used to being powerless, maybe one wants to continue that way. I feel this is a pity.

This bill would enable members to debate the content of treaties, but without limiting the government's leeway in negotiating or signing treaties. The government's leadership is not being challenged here. It is, of course, up to the executive to negotiate treaties. That is the way it is done throughout the world. The desire here is to ensure that the balance between the executive and the legislative is not completely tipped in favour of the executive.

There are also provisions in this bill aimed at involving the provinces in the negotiation of treaties coming under their jurisdictional responsibility, and requiring the Government of Canada to consult them.

I myself wrote an article in the period leading up to the WTO conference, a marvellous document if I do say so myself. Again, the WTO is increasingly important. In my opinion, the provinces must be as closely associated as possible with the process of negotiation, and of representation in the event of trade disputes too.

In closing, I would like to congratulate the member for Beauharnois—Salaberry on introducing this bill, which is intended to enable us all in the House of Commons to have a little more say in Canada's international involvement.

We cannot not pass this bill, not want to have it considered in committee and go on to third reading, where it may be rejected if that be the wish of the members, but we must have the chance to debate it. We must, we the democratically elected representatives of the people, seize the opportunity to have our say on an international matter that affects us increasingly, that will affect our fellow citizens increasingly in their daily lives.

I ask all members of this House to join with my colleague and vote in favour of this bill.

● (1820)

[*English*]

Mr. Ian Murray (Lanark—Carleton, Lib.): Mr. Speaker, I welcome this opportunity to speak to Bill C-214.

Canada's leadership role in human security, peacekeeping, international co-operation and development is well known. The Minis-

Private Members' Business

ter of Foreign Affairs has just announced the Canadian initiative on the treatment of children in times of conflict. Let us hope that the invaluable experience and sterling reputation which Canada developed during its leading role in the Ottawa process for the elimination of anti-personnel land mines is put to use to help the innocent young victims of war.

Hon. members will understand the importance of having a good system for concluding treaties, one which enables Canada to conduct its foreign policy effectively in the service of Canadians.

The bill introduced by the hon. member for Beauharnois—Salaberry has compelled us to once again give some thought to Canada's mechanism for concluding treaties. Is it as flawed as the hon. member suggests? Does it need to be radically overhauled as he is proposing? Does our current practice prevent us from playing a role and defending the interests of Canadians on the international scene? In my view, our current practice, with its flexibility and capacity to respond to change, already enables us to meet our objectives while recognizing the essential role of parliament in implementing treaty obligations.

The problems facing governments often extend beyond national borders. When countries decide to work together to improve a situation in an area such as foreign trade, common defence, disarmament or international crime, they negotiate and come to an agreement commonly known as a treaty or a convention.

Under our constitution, the power to conclude treaties belongs exclusively to the executive branch of the federal government. It is the executive that agrees to bind and commit Canada to obligations in the international sphere. It was, therefore, the executive that signed and ratified the charter of the United Nations and voted for the Universal Declaration of Human Rights. It was the executive that ratified the North Atlantic Treaty by which NATO was formed, and it was the executive that ratified the Comprehensive Nuclear Test Ban Treaty. Canada is already party to nearly 3,000 bilateral and multilateral instruments and, with the growing need for states to respond to international trade and political imperatives, this number can only increase.

The member for Beauharnois—Salaberry is suggesting that the House of Commons does not play a large enough role in the process of concluding those treaties to which Canada chooses to become a party. I have trouble following the hon. member on this point. While it is true that the executive is responsible for signing and ratifying treaties, it has always been a responsibility of elected representatives to pass the implementing legislation for treaties in Canada.

The constitutional power to implement treaties granted to the House of Commons and the legislatures under the division of powers and confirmed by the highest courts more than 60 years ago ensures a healthy balance between the federal executive and the people's elected representatives.

The federal executive must secure legislative implementation from the elected representatives before agreeing on behalf of Canada to be definitively bound by a treaty. Without this approval, treaty obligations could not be implemented and Canada would fall well short of meeting its international obligations. Not only is it well advised to consult and obtain legislative approval from elected representatives in order to implement treaties, it is often essential.

When Canada wants to ratify a treaty involving one or more provincial areas of jurisdiction, the executive automatically consults with the provinces. On reading Bill C-214 one would think there was no consultation between the federal government and the provinces and that this legislation was absolutely essential in order to remedy the situation. Nothing could be further from the truth. For example, the provinces are continually consulted on the Hague conventions on private international law, which of course fall under the constitutional jurisdiction of the provinces over civil rights. Canada has not ratified some of the Hague conventions because of the provinces' unwillingness to implement aspects falling under provincial jurisdiction.

We have a practice that works, with no need to legislate or to impose any requirement to conclude unwieldy agreements concerning consultative mechanisms with the provinces. We already have consultative mechanisms. We do not need to reinvent the wheel.

Incidentally, I would like to mention a crucial point brought up by my colleague, the hon. member for Vancouver Quadra, in the first hour of debate on second reading of the bill. In his bill the member for Beauharnois—Salaberry attempts suddenly and indirectly to grant the provinces the power to conclude treaties. The courts have been clear that in the Canadian constitutional system the power to conclude treaties for Canada belongs exclusively to the executive branch of the federal government. In other words, there is no provincial power to conclude treaties, nor has there ever been. Bill C-214 would be contrary to our constitution.

● (1825)

The current practice already provides a balance between elected representatives who have legislative authority and the executive which has the power to conclude treaties for the country.

The hon. member claims that members of parliament do not have the opportunity to help formulate Canada's position in treaty negotiations. Let us stop to consider this argument and look at the role played by the all-party Standing Committee on Foreign Affairs and International Trade when it is consulted about negotiating and concluding international treaties.

The Subcommittee on International Trade, Trade Disputes and Investment of the Standing Committee on Foreign Affairs and International Trade held hearings and produced a report on the conclusion of an agreement on the free trade area of the Americas. In June 1999 the full Standing Committee on Foreign Affairs and

International Trade held consultations and produced reports on the World Trade Organization.

I would like to take this opportunity to remind the House that the government presented its response to the committee's report regarding the WTO on November 15, 1999. It is clear from that response that the government greatly benefited from the committee's recommendations in formulating its own position, a concrete example of the important role of parliament.

Committee hearings provide an excellent opportunity for parliament to consult, examine, analyze and debate Canada's international commitments.

Another example of parliamentary participation in concluding international agreements comes to mind. Canada and the United States are currently in the process of concluding an agreement on customs preclearance at Canadian airports. As members know, there are U.S. customs officers at many Canadian airports preclearing passengers who travel to the United States. This reduces the waiting time upon their arrival at U.S. airports.

The Standing Committee on Foreign Affairs and International Trade studied Bill S-22, the purpose of which is to implement the Canada-U.S. agreement before a final agreement is even concluded. Why did it do this? To give parliament manoeuvring room to determine on its own what powers it may want to grant U.S. customs officers posted on Canadian soil. Needless to say, during the committee meetings the member for Beauharnois—Salaberry still found reason to criticize this government initiative.

Parliament is already regularly consulted on important matters that may be the subject of international treaties. Here again the hon. member is not inventing anything new. The advantage of the Canadian practice of concluding treaties is that it is flexible. It provides a balance between parliament and the executive branch in concluding and implementing international treaties and gives elected representatives an important role in debating and studying international agreements. Let us not forget that the government is responsible to this House for the conduct of Canada's foreign affairs, including the conclusion of treaties.

In summary, our system of concluding treaties, including the practice by which it is governed, works very well indeed. Through its flexibility it provides for the effective participation of elected representatives, in consultation with the provinces in areas of provincial jurisdiction, while guaranteeing that the interests of Canadians are fully defended and promoted on the international stage.

Mr. John Maloney (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I am pleased to participate in the second hour debate of Bill C-214. At the outset I would like to clear up two points raised by the hon.

Private Members' Business

member for Beauharnois—Salaberry in the first hour of this debate last December 1.

The hon. member stated that "We are still waiting for the treaties signed in 1993, 1994, 1997 and 1998 to be tabled".

The 1994 treaties were tabled June 9, 1999. The 1993 treaties were tabled June 10, 1999. The 1997 treaties were tabled April 13, 1999. Currently there are no treaties outstanding to be tabled under the current practice.

With regard to the 1998 treaties, departmental officials are now in the process of preparing 47 treaties for tabling. There is a normal lag of at least one year with respect to multilateral treaties. This period enables the depositaries of these treaties, often the UN, to advise states of their entry into force and prepare the certified copies which are then tabled.

For example, the depositary of Protocol II, annexed to the Convention on the Prohibitions or Restrictions on the Use of Certain Conventional Weapons, intended to bring mines into the disarmament regime created by the main convention, advised Canada on July 7, 1999 that this convention had entered into force on December 3, 1998 and provided the certified copies.

• (1830)

Such time lags are normal practices among depositaries such as the UN which manages hundreds of multilateral treaties and must calculate the exact date of entry into force of the convention based on the number of acceptances received and then prepare the certified copies.

The hon. member also suggested on December 1 that this bill would correct an obvious deficiency, allowing ordinary citizens as well as parliamentarians access to international treaties. This bill does no such thing.

The government already provides Canadians, including MPs, wide access to treaties. They are published in a Canadian treaty series and distributed to numerous libraries throughout Canada. In addition, they can be purchased from the government publishing centre on a cost recovery basis.

I remind all MPs in the House that they have access to treaties tabled since 1990 in CD-ROM format through the Library of Parliament.

This bill deals with the Canadian practice with regard to the conclusion of treaties, an important element of the Government of Canada's prerogative.

This bill seriously affects the division of powers in Canada and calls into question the ability of Canada to pursue major foreign policy objectives. It purports to democratize the treaty process by providing parliament with a greater role. Parliament already has a considerable role in our treaty process.

Private Members' Business

Canadian constitutional law clearly establishes that the negotiation and signature of a treaty are strictly in the purview of the federal executive. However, the legislative branch is still responsible for implementing the ensuing applications.

If a treaty results in changes to current laws, or enactment of new ones, the legislative branch alone can take such action. Depending on the jurisdiction, implementing legislation must be passed by parliament or provincial legislatures. As the hon. member knows, this role is essential because in the absence of any participation from the legislative branch, the international commitments made by Canada could not be met for lack of domestic enactments.

Because of this implementation power, parliament is regularly required to study and discuss treaties.

On December 1 the hon. member for Beauharnois—Salaberry stated that:

Neither the Free Trade agreement between the U.S. and Canada, nor NAFTA nor the recent treaties on Landmines and disarmament were approved by this House before the government expressed its consent to be bound by them.

This statement once again ignores parliament's crucial role in treaty matters. All of these treaties were subject to intensive study and scrutiny by the House when it considered the legislation to implement them. It was up to parliament to decide if it wished to enact this legislation and, if it were not passed, the government simply could not have ratified these treaties. Canada's most important treaties are already, and have always been, subject to this legislative process.

The role of parliament in treaty making continues to evolve. Not only is parliament involved in the implementation of treaties but consultation on our most important treaties now takes place before committees and prior to the government taking binding action.

The Standing Committee on Foreign Affairs and International Trade and its subcommittee examined exhaustively and made recommendations to the government on the multilateral agreement on investment, on the WTO and the FTAA negotiations. They did so prior to the conclusion of these agreements by the federal executive. Let me be clear. Our current practice strikes a careful balance between the constitutional power of the executive to make treaties and the crucial role of parliament in implementing them, providing for the flexibility and efficiency which Canada needs to pursue its foreign policy objectives.

As another example, last spring parliament debated Bill S-22, the implementing legislation of an agreement with the U.S.A. on customs preclearance, prior to the conclusion of the agreement in order to give parliament greater latitude in determining what powers Canada would provide U.S. customs officers in Canadian airports.

In addition, Bill C-214, with its proposal to provide for the approval of treaties by the House of Commons prior to ratification, would adversely affect the development of Canadian foreign policy and would emulate the legislative approval system in the United States. Crises throughout the world must not be used for partisan purposes on the national political scene. The Government of Canada, which is accountable to parliament, is responsible for the country's foreign affairs. In order to be heard and to be perceived as a leader, it must have a single voice on the international scene.

The decision of the U.S. Senate not to sign the comprehensive nuclear test ban treaty stunned Canada and the entire international community, dimmed the hopes for peace and international stability generated by the treaty, and dealt a serious blow to the United States' reputation, even though the administration supported ratification. This is a clear illustration of what happens when sterile party politics find their way into the conduct of a country's foreign affairs. Canada does not wish to undergo such a drastic change in the conduct of its foreign affairs.

• (1835)

The bill raises major constitutional concerns. Bill C-214 refers to the royal prerogative of the crown in right of a province with respect to the negotiation and signing of treaties. No such provincial prerogative exists. The prerogative with respect to the negotiation and signing of any international treaty lies exclusively with the Canadian federal executive. Therefore, Bill C-214 violates the constitutionally determined division of powers.

The bill would require the government to negotiate consultation agreements with provincial governments in areas of provincial or shared jurisdiction. Canadian constitutional law already requires that the Government of Canada secure the support of provinces before ratifying an international treaty requiring implementation through provincial legislation. It is done because it has to be done.

For example, the federal government is engaged in extensive consultations with provincial governments developing a national implementation strategy to allow Canada to ratify the Kyoto Protocol to the Climate Change Convention and there are extensive consultations to develop positions and policy to allow implementation of crucial agreements in the trade area. Provincial representatives are sometimes part of Canadian delegations when treaties concerning provincial matters are negotiated.

Bill C-214 creates nothing new in this area but it imposes a straitjacket on the Government of Canada for consulting its provincial partners.

Moreover, Bill C-214 with its requirement that treaties be tabled 21 sitting days prior to their ratification, would preclude Canada from playing a key role on global issues, as it has done in recent years. Our current treaty-making practices enabled Canada to be the first to ratify the Ottawa Convention on Landmines on Decem-

ber 3, 1997 when the international community came to Ottawa to sign the convention. Had Bill C-214 been law, Canada would never have managed this feat.

Bill C-214 could also seriously affect our ability to enter quickly into agreements on emergency food supply or peacekeeping forces deployment in times of humanitarian crises. It would fetter our ability to enter into ad hoc extradition agreements to extradite criminals seeking refuge in Canada and damage our commercial interests when time is of the essence to give an advantage to Canadian businesses.

Canada must have a treaty-making process that allows it to achieve its foreign policy objectives and to deal quickly and effectively with changing and urgent situations. Our current practice meets these imperatives.

There is already a major role for parliament with respect to the implementation of treaties and parliament has been consulted on our most important treaties prior to their conclusion. It is my strong view that Bill C-214 provides for an overly complex and inefficient procedure to replace a treaty-making process that so far has well served Canadians, parliamentarians and Canada.

[Translation]

Mr. Stéphan Tremblay (Lac-Saint-Jean, BQ): Mr. Speaker, I am aware that I do not have much time to speak to this bill, which I think is a very good one, introduced by the member for Beauharnois—Salaberry.

I am very interested in issues of globalization. In a world where areas of activity that were formerly more the concern of the United Nations are now making their way onto the world stage, we will be increasingly called upon to make decisions on an international scale and to ratify treaties.

One question comes to me right off the bat and it is this: What is the role of parliamentarians in this regard? Should we always rely on governments to negotiate treaties? I think that one of the most flagrant examples we have seen is the multilateral agreement on investment. People will recall that, for two years, this agreement was being secretly negotiated by the OECD, an organization of the 29 richest countries in the world. Nobody in the world, except of course the negotiators, knew this was in the works. We parliamentarians were not in the picture. It took a leak by one of the negotiators on the Internet before pockets of resistance began to spring up around the world.

I think that this was an historic event because, for the first time, we saw civil society join forces internationally, we saw young people the world over ready to be mowed down rather than see this agreement signed. I am thinking in particular of the young people of salAMI in Montreal, who resorted to civil disobedience.

Adjournment Debate

• (1840)

I may not approve of such methods. I am only pointing them out.

An international agreement was being negotiated behind closed doors. When people saw what was in the agreement, they said “This does not make sense. It should be discussed”. This is what democracy is all about. It is about debating issues. It is about wondering where treaties like this will lead us.

Unfortunately, this is all the time I have for today, but I was pleased to—

The Deputy Speaker: I can assure the member for Lac-Saint-Jean that when the bill next comes up for consideration before the House he will have eight minutes remaining in his remarks.

The hour 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

[English]

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

HUMAN RESOURCES DEVELOPMENT

Mr. Garry Breitkreuz (Yorkton—Melville, Canadian Alliance): Mr. Speaker, we have money freely flowing from the Human Resources Development Canada offices to individuals and businesses without being properly accounted for. But for our farmers, they basically have to walk through fire to receive money from another government managed program.

The internal audit of HRDC exposed severe mismanagement of 459 job creation programs worth almost \$1 billion. Some of the major problems were 80% of grant recipients showed no evidence of financial monitoring, 72% had no cash flow forecast, 87% showed no proof of supervision and 11% had no budget proposal or description of expected results. In one instance, seven people listed as unknown on the applications received \$11 million. This is hard to believe.

The money flows out of the human resources development department without proper checks or balances. However, another program, the agriculture income disaster program, or AIDA as it is known, is the exact opposite. Farmers fill out, or in most cases pay their accountants to fill out, complicated forms and then submit

Adjournment Debate

their applications to an AIDA office. Months later the farmer finds out if he qualifies.

One producer in my riding told me his application was submitted in May 1999, but it took until March 2000 to be processed. That is almost a year. How long does it take for a human resources grant to be approved and distributed?

The AIDA applications are also heavily scrutinized. The forms go through a number of government staff and each one looks for ways to limit the payout to the farmer. In one case a farmer in my riding found out that his AIDA application had been worked on six times. By the time it had gone through bureaucrats, his payout was a fraction of what he had expected.

Does this type of scrutinizing take place at the human resources development offices when they are looking at grant applications? Is it true that the officials in charge of AIDA have been told to reduce payouts and limit benefits because it is agriculture and not HRD? There appears to be a deliberate scheme to not support farmers but to shovel taxpayers' dollars to patrons of HRD.

Should I be telling farmers in my riding to skip the AIDA procedure and go to the human resources development office for assistance?

A recent *Globe and Mail* article discovered 49 of Canada's top 100 most profitable companies have received grants in the past three years totalling \$4.2 million from the HRDC office. Each of these companies has made a profit of at least \$70 million. Do we have to show a profit of \$70 million and contribute to the Liberals before qualifying for grants from the federal government?

We have farmers who are struggling to stay afloat and one of the main reasons for their problems is that the government taxes them to death and does not defend them at the international bargaining table. The government is taking dollars out of farmers' pockets and funnelling them to rich corporations.

If the government does not want to give farmers their money back, why does it not just reduce taxes? Taxes kill jobs. The grants at HRD use tax dollars which come directly from the farmer. In fact, farmers pay huge amounts of tax on the inputs they buy to grow their product. Fertilizer, fuel, chemicals and machinery all have a hidden tax component.

The grants at HRD are shovelled out through what is called a job creation fund. Let us rename this the job destruction fund. It is driving farmers off the land and many other Canadians do not have jobs because of the high taxes needed to support the Liberals' jobs destruction grants program.

It should not be easy to access public funds, but there is an obvious double standard taking place when we look at the HRDC

programs and compare them to the AIDA program. I would like to know how the human resources development minister can justify handing out a billion dollars in grants with no accountability while our farmers continue to struggle and cannot access funds set aside to help them.

• (1845)

Ms. Bonnie Brown (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I am happy to have this opportunity to respond to my good friend across the way.

I really cannot comment on the AIDA program because that was not suggested in his earlier question to which I was preparing to respond. However, I can respond to some of the allegations made against HRDC. For example, he said that money was freely flowing from HRDC in these grants and contributions. He should realize that the section of grants and contributions that was audited, and which had a very serious result that all of us took seriously, the audit covered an audit universe that represents less than 1% of the Government of Canada's budget.

We have now had months of allegations being hurled across the floor from the opposition at us based upon 1% of the government's budget. I want to assure the member that there is a strict process for approval of these grants.

As far as his allegations about us working with big companies, yes we do. We work with both the private sector and the non-profit sector. In the private sector we work with both big companies and small companies because we respect all businesses and they all have a right to apply for assistance when they need it.

As far as cutting taxes, as he is suggesting we should be doing instead of creating economic activity, we have begun to cut taxes now that we have eliminated the deficit and can afford to cut taxes. There was a big plan announced in the last budget to that effect.

How would the hon. member replace the \$3 billion in economic activity that we have managed to start through our investment, for example, of \$300 million in the Canada jobs fund? That leveraged \$2.7 billion from the private sector and the non-profit sector and resulted in \$3 billion of economic activity, which we would not have otherwise had in the country, and in the creation of approximately 28,000 new jobs.

The Deputy Speaker: The motion to adjourn the House is now deemed to have been carried. Accordingly, the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6.46 p.m.)

CONTENTS

Thursday, April 13, 2000

ROUTINE PROCEEDINGS

Human Resources Development

Mr. McGuire	6057
Mrs. Jennings	6057

Aboriginal Affairs

Mr. Iftody	6057
------------------	------

Government Response to Petitions

Mr. Lee	6057
---------------	------

Interparliamentary Delegations

Mr. Proud	6057
-----------------	------

Committees of the House

Human Resources Development and the Status of Persons with Disabilities

Mr. Adams	6057
Mr. Vellacott	6057
Mr. Crête	6058

Statutory Program Evaluation Act

Bill C-477. Introduction and first reading	6058
Mr. Williams	6058
(Motions deemed adopted, bill read the first time and printed)	6058

Petitions

Child Pornography

Mr. Adams	6058
-----------------	------

Iraq

Mr. Adams	6058
-----------------	------

Immigration

Mr. Gruending	6058
---------------------	------

Environment

Mr. Lavigne	6058
-------------------	------

Bill C-23

Mr. Hilstrom	6059
--------------------	------

Mammography

Mr. McGuire	6059
-------------------	------

Bill C-23

Mr. Vellacott	6059
---------------------	------

Mr. Iftody	6059
------------------	------

Child Poverty

Mr. Iftody	6059
------------------	------

Child Pornography

Mr. Sauvageau	6059
---------------------	------

Questions on the order paper

Mr. Lee	6059
---------------	------

GOVERNMENT ORDERS

Budget Implementation Act, 2000

Bill C-32. Second reading	6059
Mr. Jones	6059
Mr. Thompson (New Brunswick Southwest)	6061
Mr. Jones	6061
Mr. Breitzkreuz (Yorkton—Melville)	6061
Mr. Jones	6062
Mr. Thompson (New Brunswick Southwest)	6062
Mr. Hilstrom	6063

Mr. Thompson (New Brunswick Southwest)	6063
Mr. Epp	6064
Mr. Dubé (Lévis—et—Chutes—de—la—Chaudière)	6067
Mrs. Lalonde	6069
Mr. Dubé (Lévis—et—Chutes—de—la—Chaudière)	6069
Mr. Mills (Red Deer)	6069
Mr. Dubé (Lévis—et—Chutes—de—la—Chaudière)	6069
Mr. Earle	6070
Mr. Earle	6071
Mr. Epp	6072
Mr. Earle	6072
Mr. Earle	6073
Mr. Johnston	6073
Mr. Earle	6073
Mr. Lunn	6073
Mr. Lunn	6075
Mr. Clouthier	6076
Mr. Lunn	6076
Mr. Mayfield	6076
Mr. Lunn	6076
Mr. Bailey	6077
Mr. Lunn	6077
Mr. Borotsik	6077
Mr. Clouthier	6078
Mr. Borotsik	6078
Mr. Szabo	6079
Mr. Borotsik	6079
Mr. Casey	6079
Mr. Bailey	6081
Mr. Casey	6081
Mr. Bailey	6082
Mr. Casey	6082
Mr. Williams	6082
Mr. Williams	6083
Mr. Bailey	6084
Mr. Williams	6085
Mr. Bailey	6085
Mr. Williams	6085
Mr. Obhrai	6085
Mr. Duhamel	6087
Mr. Obhrai	6087
Mrs. Ablonczy	6088
Mr. Obhrai	6088
Mr. Bailey	6088
Mr. Obhrai	6088
Mr. Laliberte	6088

STATEMENTS BY MEMBERS

National Volunteer Week

Mr. Drouin	6089
------------------	------

VIA Rail

Ms. Meredith	6089
--------------------	------

Volunteer Week

Mr. McKay	6090
-----------------	------

Chrysler Cup

Mr. St-Julien	6090
---------------------	------

Fullarton Book Launch

Mr. Richardson	6090
----------------------	------

Health	
Mr. Mills (Red Deer)	6090
Investor Education Week	
Ms. Brown	6091
Fondation québécoise du cancer	
Mr. Ménard	6091
VIA Rail	
Mr. Lavigne	6091
Foreign Affairs	
Mr. Benoit	6091
Prime Minister	
Mr. Mercier	6091
Telephone Communication	
Mr. Paradis	6092
National Poetry Month	
Mr. Godin (Acadie—Bathurst)	6092
Health	
Mr. Pagtakhan	6092
Senator Ron Ghitter	
Mr. Borotsik	6092
Nunavut	
Mrs. Karetak—Lindell	6093
A “Canadien” Afield	
Mr. Turp	6093

ORAL QUESTION PERIOD

Foreign Affairs	
Miss Grey	6093
Mr. Gray	6093
Miss Grey	6093
Mr. Gray	6094
Miss Grey	6094
Mr. Myers	6094
Miss Grey	6094
Mr. Gray	6094
Ms. Meredith	6094
Mr. Gray	6094
Ms. Meredith	6094
Mr. Gray	6094
Mr. Duceppe	6094
Mr. Gray	6094
Mr. Duceppe	6094
Mr. Gray	6094
Mrs. Lalonde	6095
Mr. Gray	6095
Mrs. Lalonde	6095
Mr. Gray	6095
Health	
Mr. Blaikie	6095
Mr. Rock	6095
Mr. Blaikie	6095
Mr. Rock	6095
VIA Rail	
Mr. Casey	6095
Mr. Dromisky	6096
Mr. Casey	6096

Mr. Dromisky	6096
Foreign Affairs	
Mr. Grewal	6096
Mr. Gray	6096
Mr. Grewal	6096
Mr. Gray	6096
Human Resources Development	
Mr. Crête	6096
Mrs. Stewart (Brant)	6096
Mr. Crête	6096
Mrs. Stewart (Brant)	6097
Mr. Jaffer	6097
Mrs. Stewart (Brant)	6097
Mr. Jaffer	6097
Mrs. Stewart (Brant)	6097
Banking Services	
Mr. Brien	6097
Mr. Martin (LaSalle—Émard)	6097
Mr. Brien	6097
Mr. Martin (LaSalle—Émard)	6097
Human Resources Development	
Mrs. Ablonczy	6097
Mrs. Stewart (Brant)	6098
Mrs. Ablonczy	6098
Mrs. Stewart (Brant)	6098
CINAR	
Mr. Bergeron	6098
Mr. Cauchon	6098
French Language Colleges	
Mr. Limoges	6098
Ms. Copps	6098
Canada Development Corporation	
Mr. Lunn	6098
Mr. Martin (LaSalle—Émard)	6098
Mr. Lunn	6099
Mr. Martin (LaSalle—Émard)	6099
Human Resources Development	
Ms. Davies	6099
Mrs. Stewart (Brant)	6099
Ms. Lill	6099
Mrs. Stewart (Brant)	6099
Fisheries	
Mr. Keddy	6099
Mr. Dhaliwal	6099
Mr. Keddy	6100
Mr. Keddy	6100
Mr. Dhaliwal	6100
Wine Industry	
Mr. Lastewka	6100
Mr. Vanclief	6100
Canada Development Corporation	
Mr. Johnston	6100
Mr. Martin (LaSalle—Émard)	6100
Option Canada	
Mr. de Savoye	6100
Mr. MacAulay	6100
Banking	
Mr. Nystrom	6100

Mr. Martin (LaSalle—Émard)	6101
Canadian Broadcasting Corporation	
Mr. Price	6101
Ms. Copps	6101
Immigration	
Ms. Leung	6101
Ms. Caplan	6101
Canada Development Corporation	
Mr. McNally	6101
Mr. Martin (LaSalle—Émard)	6101
Genetically Modified Organisms	
Ms. Alarie	6101
Mr. Vanclief	6102
National Defence	
Mr. Earle	6102
Mr. Eggleton	6102
Canadian Broadcasting Corporation	
Mr. Price	6102
Ms. Copps	6102
Presence in the Gallery	
The Speaker	6102
Business of the House	
Mr. McNally	6102
Mr. Boudria	6102

ROUTINE PROCEEDINGS

Committees of the House	
Public Accounts	
Mr. Lee	6103
(Motion agreed to)	6103

GOVERNMENT ORDERS

Budget Implementation Act, 2000	
Bill C-32. Second reading	6103
Mr. Laliberte	6103
Mr. Breitzkreuz (Yorkton—Melville)	6105
Mr. Laliberte	6105
Mr. Duncan	6105
Mr. Laliberte	6105
Mr. Mills (Red Deer)	6106
Mr. Laliberte	6106
Mr. Hilstrom	6106
Mr. Laliberte	6106
Mr. Mills (Red Deer)	6106
Mr. Cullen	6109
Mr. Mills (Red Deer)	6109
Mr. Szabo	6110
Mr. Mills (Red Deer)	6110
Mr. Szabo	6110

Mr. Mills (Red Deer)	6110
Mr. Pankiw	6110
Mr. Szabo	6112
Mr. Pankiw	6112
Mr. Pankiw	6113
Mr. Szabo	6113
Mr. Vellacott	6113
Mr. Szabo	6114
Mr. Pankiw	6114
Mr. Szabo	6114
Mr. Pankiw	6114
Mr. Laliberte	6114
Mr. Pankiw	6114
Message from the Senate	
The Deputy Speaker	6114

ROYAL ASSENT

The Deputy Speaker	6115
--------------------------	------

GOVERNMENT ORDERS

Budget Implementation Act, 2000	
Bill C-32. Second reading	6115
Mr. Szabo	6115
Mrs. Lalonde	6116
Mr. Hilstrom	6117
Mr. Crête	6119
Mr. Grewal	6120

PRIVATE MEMBERS' BUSINESS

Treaties Act	
Bill C-214. Second reading	6121
Mrs. Lalonde	6122
Mr. Grewal	6123
Mr. Thompson (New Brunswick Southwest)	6124
Mr. Marceau	6125

THE ROYAL ASSENT

The Deputy Speaker	6126
--------------------------	------

PRIVATE MEMBERS' BUSINESS

Treaties Act	
Bill C-214. Second reading	6127
Mr. Marceau	6127
Mr. Murray	6127
Mr. Maloney	6129
Mr. Tremblay	6131

ADJOURNMENT PROCEEDINGS

Human Resources Development	
Mr. Breitzkreuz (Yorkton—Melville)	6131
Ms. Brown	6132

MAIL  POSTE

Canada Post Corporation/Société canadienne des postes

Postage paid

Port payé

Lettermail

Poste – lettre

03159442

Ottawa

If undelivered, return COVER ONLY to:

Canadian Government Publishing,
45 Sacré-Coeur Boulevard,
Hull, Québec, Canada, K1A 0S9

En cas de non-livraison,

retourner cette COUVERTURE SEULEMENT à:

Les Éditions du gouvernement du Canada,
45 boulevard Sacré-Coeur,
Hull, Québec, Canada, K1A 0S9

Published under the authority of the Speaker of the House of Commons

Publié en conformité de l'autorité du Président de la Chambre des communes

Also available on the Parliamentary Internet Parlementaire at the following address:

Aussi disponible sur le réseau électronique «Parliamentary Internet Parlementaire» à l'adresse suivante :
<http://www.parl.gc.ca>

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

Additional copies may be obtained from Canadian Government Publishing, Ottawa, Canada K1A 0S9

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.

On peut obtenir des copies supplémentaires en écrivant à : Les Éditions du gouvernement du Canada, Ottawa, Canada K1A 0S9

On peut obtenir la version française de cette publication en écrivant à : Les Éditions du gouvernement du Canada, Ottawa, Canada K1A 0S9