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(HANSARD)

Friday, May 10, 1996

Speaker: The Honourable Gilbert Parent

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HOUSE OF COMMONS

Friday, May 10, 1996

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

EMPLOYMENT INSURANCE ACT

The House resumed from May 6 consideration of Bill C-12, an act respecting employment insurance in Canada, as reported (with amendments) from the committee; and Motions Nos. 7 and 8

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, I appreciate the opportunity to speak on Bill C-12, as amended. It is legislation which Canadian workers, Canadian businesses and the Canadian economy so badly need.

Let me begin with a reminder. Bill C-12 introduces reforms that will remove some of the inequities of unemployment insurance and provide a more fair and balanced regime. However, while bearing in mind that employment insurance will provide temporary income for some 2.4 million unemployed workers this year, we should also remember that Bill C-12 has another aim, the fundamental aim of boosting job creation and economic growth.

It is designed to help people get back to work. It is designed to reinforce the social safety net by ensuring adequate income for those who are most in need, while at the same time reducing costs and meeting the government's budgetary requirements. It retains the structural objectives arising out of the Canada-wide consultations on the social security review. It strengthens work incentives and the insurance aspect of income support. It ensures fairness. It reduces and stabilizes premiums. It provides a simplified administration for employers. It will achieve a net savings of \$1.2 billion by the year 2001-02.

The EI system is a vast improvement over the old unemployment insurance regime. Eligibility will be based on hours of work rather than weeks. Weeks are a poor measure of work, particularly for part

time workers and those who hold down more than one job or those who work intensely for short periods.

There are higher entrance requirements for new entrants and re-entrants; a necessary provision to stop the cycle of dependency, particularly among young people, that the UI system tends to engender.

• (1015)

The maximum duration of benefits is reduced from 50 to 45 weeks. This is a realistic period since 67 per cent of all claimants find a job within the first 40 weeks of unemployment. Those who cannot find work within 45 weeks obviously need help that goes beyond income support, once again a need the EI system will be able to provide.

An increased clawback of benefits for high income claimants, particularly those who collect benefits on a regular basis, will make the system much fairer and will more accurately reflect the insurance aspects of the benefits.

The reduced maximum insurable earnings will be brought more into line with the average industrial wages. Premium reductions and an establishment of a reserve in the EI account will stimulate employment. Premium increases during the last recession were estimated to have killed more than 200,000 jobs in Canada.

Most important, \$800 million of savings achieved by the EI will be reinvested in active re-employment benefits. It will change the system from a passive income support system to an active program for re-employment of Canadian workers most in need of assistance.

There are significant differences not only in the unemployment rate but in the labour market conditions from region to region in Canada. Bill C-12 is specifically designed to take these differences into account.

The situation in Atlantic Canada is a case in point. Employment insurance will help unemployed Atlantic Canadians get back to work. The system is the product of two years of consultation with Atlantic Canadians. Now it has been fine tuned by the Standing Committee on Human Resource Development to ensure regional sensitivity and adaptability.

The basis of the new system will help Atlantic Canada's workforce. The hours based system will make it easier for many to qualify for benefits because all hours worked are now insurable.

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The fact is that in the Atlantic provinces 86 per cent of UI claimants already work 35 hours or more per week. They will find it at least as easy and more often easier to qualify under the new EI.

Seasonal workers, of whom there are many in Atlantic Canada, will benefit under the EI because of the fact that they tend to work long hours each week. Remember that it is the hours that count and not the weeks.

Part time workers will no longer be hampered by the artificial barrier of having to work a minimum of 15 hours per week before their work is insurable. We have all heard of employers who restrict their workers to less than 15 hours in order to avoid paying premiums under the current UI.

Multiple job holders too will benefit by having all their work insured regardless of how many or how few hours they put into each separate job. Atlantic Canadians will particularly benefit from changes which have been made to the legislation setting out how benefits will be determined.

Workers will be able to look back 26 weeks to find the earnings necessary to maximize their benefits. This will be particularly beneficial to workers in industries where there are breaks between the periods of employment. In a high unemployment region people can have 12 weeks of no earnings without reducing their benefit levels.

The average earnings calculation is done by looking at total earnings in the last 26 weeks and dividing that total by the factor or divisor. The minimum divisor applied is the equivalent of two weeks above the regional minimum entrance requirement or the number of weeks worked up to 26, whichever is greater. Weekly benefits are set at 55 per cent of the resulting average earnings.

• (1020)

The divisor rule is equitable and responsive to changes in employment conditions right across the country. It is designed to be particularly beneficial to workers in high unemployment regions.

For all EI claimants, work incentive is boosted by the intensity rule. Claimants with more than 20 weeks of benefits in the previous five years will have their benefit rate reduced by one percentage point for each 20 weeks of past benefits, to a maximum of the 50 per cent level. The intensity rule will not apply however to claimants who receive family income support. Also claimants who work while they are receiving EI benefits will be able to earn work credits to reduce the impact of the intensity rule.

About 42,000 EI claimants in Atlantic Canada receiving a family income supplement will be exempt from the intensity rule. In all, about 53,000 Atlantic Canada claimants in low income families earning less than \$26,000 a year and with children will be eligible

for a family income supplement. On average the supplement is worth some \$800 per family. Of course, claimants will be able to earn \$50 a week or 25 per cent of their EI benefit, whichever is greater, without affecting the benefit. As a result anyone receiving less than \$200 in EI will be able to earn more without reducing their benefits at all.

Atlantic Canadians will benefit under EI in more ways than from the income support benefits. The reinvestment of \$800 million of EI funds in employment benefits will greatly benefit Atlantic Canada. Distribution of reinvested funds will ensure a fair regional balance. EI will result in a reduction in total income support payments across the country. But these impacts will be reduced by a reinvestment in active measures which will be disproportionately allocated to provinces most affected by the changes to the insurance benefits. We must also take into account the three year \$300 million transitional jobs fund which will create an estimated 15,000 new jobs in high unemployment regions across Canada.

Another fact is benefits will still exceed premium contributions in Atlantic Canada. More than 60 per cent of UI claimants in Atlantic Canada claim benefits regularly. Even when the EI reforms have been fully phased in in the year 2001-02, Atlantic Canadians will receive substantially more benefits than they pay in premiums. The benefits to contributions ratio for example in Newfoundland will be \$2.73 to \$1 compared to 76 cents to \$1 for Ontario.

Finally we should bear in mind that the implementation of EI will be closely monitored and adjustments will be made where necessary. Some communities in Atlantic Canada will be selected for in depth studies of the effects of the new system. In all, Atlantic Canadians should welcome the advent of this fair, balanced and effective system to support them when needed and further to provide for their future employment.

• (1025)

[*Translation*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 8, standing in the name Mrs. Lalonde. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

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Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: The recorded division on the motion is deferred.

[*English*]

The next question is on Motion No. 7. Colleagues, I made a mistake. The question on this motion will only be put depending on how the vote goes on the other one. Accordingly, this matter is deferred until the vote on the other one.

[*Translation*]

Pursuant to order adopted unanimously last week, it will not be necessary to read out the motions; they are deemed to have been read and moved. Resuming debate on the motions in Group No. 5.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP) moved:

Motion No. 10

That Bill C-12 be amended by deleting Clause 5.

Mrs. Francine Lalonde (Mercier, BQ) moved:

Motion No. 10A

That Bill C-12, in Clause 5, be amended by replacing lines 15 and 39, on page 5, lines 1 to 46, on page 6, lines 1 to 44, on page 7, and on lines 1 to 27, on page 8, with the following:

"9. The Unemployment Insurance Act is amended by deleting subsections 28(1), 28(2), 28(3) and 28(4)."

She said: Mr. Speaker, I am pleased to speak to this group of motions including Motion No. 10A, which I proposed and which is intended to return the Unemployment Insurance Act to the state it was before the Conservatives amended it to prevent a person wanting to receive unemployment insurance benefits from leaving voluntarily.

Furthermore, someone dismissed by an employer subsequent to this amendment by the Conservatives is no longer entitled to UI benefits, short of a series of exceptions. However, so long as this person gets no confirmation by the employment centre that he left his job for reasons provided in the act, he gets no UI benefits.

And if someone leaves simply because they are too tired or cannot continue, they are not entitled to receive UI benefits.

I recall this amendment to the act by the Conservative Party, because the Liberals, who were in opposition at the time, were literally tearing their hair out over this amendment proposal. They criticized it up one side and down the other. They spoke emotionally in this House against it.

Allow me now to read extracts of a letter the current Prime Minister, who was then the Leader of the Opposition, sent to all groups and individuals protesting against the Conservatives' amendment.

He said:

Thank you for your fax expressing your opposition to the legislative measures taken by the government to amend the unemployment insurance system.

I assure you that the Liberal Party shares your concern over this blow to the unemployed. And we do not believe that the recent superficial amendments alter the basically unfair nature of these measures.

The Liberals are dismayed at these measures. By cutting benefits and further penalizing those who voluntarily leave their jobs, the government has clearly little concern for the victims of the economic crisis. Instead of attacking the problem at its roots, it is going after the unemployed. These measures will have distressing consequences, because they will discourage workers from reporting cases of harassment and unacceptable working conditions.

Finally, you may rest assured that the Liberals will continue to demand the Conservatives withdraw this unfair bill.

• (1030)

Are we dreaming? That was March 26, 1993. What is the Prime Minister doing now that he is in power? What are the Liberal members and ministers doing? They are making the situation worse.

They are making it worse in a way that is hard to imagine because, by moving to an hour-based system, by forcing people to work two jobs, they came up with a clause whose true meaning we tried to find out from senior officials. We could not believe our eyes or our ears, as what the clause really says is this: If someone who works two jobs and manages to accumulate the number of weeks of insurable employment needed to qualify for UI benefits quits one of his two jobs, he loses all the benefits accumulated and must start over.

Someone may have taken a second part time job as a term position because he needed the money or thought he could manage it. If he leaves one of the two jobs voluntarily because he cannot take it any more, he loses all the benefits accumulated until then. He must then start over. This means that he must find a second job once again and accumulate the number of hours required depending on the part of the country he lives in and on the unemployment rate.

Did we ever see a more inconsistent policy? From 1993 to December 1995 and to this day, May 10, have we ever seen a more inconsistent policy? Have we ever seen a more drastic shift? This unforgivable attitude comes on top of the many changes in direction effected by that party since it came to office.

As a result of this, how many people will be forced to continue, for all kinds of reasons, to work two jobs? And how many people who cannot take it any more will find themselves without any kind of protection and vulnerable to everything, including being laid off

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from their remaining job, without having accumulated the required number of hours to qualify for benefits?

This bill makes no sense at all; it does not even provide basic justice. When I hear the speeches of my colleagues who have been led to believe that this bill is a good bill and who claim it is just what Canadians were hoping for, I am outraged.

• (1035)

I am outraged because this bill dramatically reduces the level of protection. With this bill, many people who used to have some financial security, as minimal as it may have been, will lose whatever little security they had. Yet, this security is essential in a democratic and civilized country concerned with sparing those who do not have the good fortune of being wealthy—and they are legion in this country—from dire situations.

This measure will affect every person who needs two jobs to make a living because his or her full time job does not pay well enough. The worst hit will be those who have a part time job and need a second job to supplement their income. To put it bluntly, this measure will make the shift from a system based on the number of weeks to a system based on the number of hours of work unbearable if it means trapping people as never before in a situation they will be unable to get out of.

Against all hope, I dare hope, still, that this government will see reason. This measure is but one of many measures that fly in the face of reason. There is not an ounce of common sense in this bill the people across the way are trying to sell using arguments that have nothing to do with the actual measures contained in this bill.

I urge our Liberal friends opposite to recognize that, far from acting on the statements and commitments made when the Conservative amendment was debated, they are in fact doing an about-turn, changing their tune completely. Instead of improving on the bill and making the Unemployment Insurance Act better, they made the act worse by increasingly shrinking the ranks of those who will be eligible for these benefits, which are absolutely essential. Our friends will have to account to the people for that.

I cannot wait to see their reaction when the act will take effect and they will start feeling the huge pinch that comes from being denied unemployment benefits altogether for having quit their secondary jobs because they are just overworked and cannot keep on working two jobs for any number of reasons not listed by the Conservatives in their bill, a list over which the Liberals tore out their hair time and time again.

They said they could not wait to be in power so they could change this despicable legislation. They did change it, but for the worse. But they will have to live with that and pay a political price for it. The worst of it all is that, for the ordinary people, women and

young people who will have to live with this, it will mean having to pay premiums without having access to the lower benefits provided for by this bill. This is not up to the standards of what the Liberals had promised when they were in opposition.

• (1040)

I must point this out, and really rub it in, because politics is a matter of commitment, not just a bunch of empty promises made to get elected, which are conveniently forgotten, like so many memory blanks, the day after the election, as are the voters to whom the promise was made to undo what the previous guys had done because it was so terrible.

Once in office, all of a sudden, all those terrible things the others had done are not even enough. They are made worse yet. That is exactly what the Liberals are doing in this bill. I look forward to seeing them vote one after another to break the promise they made in 1993. Not only break their promise, but do even worse.

[English]

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I am surprised at the member's remark. She talked about throwing some fat on the fire. In my opinion the member jumped from the frying pan into the fire.

I was hoping the member for Mercier would talk about her amendments instead of giving the usual rhetoric we heard from the Bloc Quebec during the full course of the committee hearings and debate.

The member did not talk about her amendment. Maybe there is a reason for that. I would be embarrassed to talk about the amendment proposed in this section if I were her as well.

I want to deal directly with that amendment. I want to address a couple of points the hon. member talked about. She quoted the letter from the Prime Minister of March 26, 1993, that "the Liberal Party of Canada shares your concern".

The Prime Minister and this party do share the concerns. This is not the same old bill the Tories of the past brought in. The member is trying to mix apples and oranges.

This bill is a major restructuring of UI to EI. It moves away from the kind of tactics of the past, a little patch here and a little patch there, in which we would raise premiums one time, shorten weeks another and move to some other provisions that usually ended up hurting workers.

This is a major restructuring of the bill. It tries to bring better balance to the bill and maintain the insurance concepts. It tries to address the problems of those in low income areas, maintaining and targeting areas where there are seasonal industries so the program is there for not only employees but employers. It tries to

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maintain the economic restructuring that comes about as a result of EI as well.

The member knows but does not want to admit this party and the committee, of which she was a member, went out and talked to people. The member from Carleton—Charlotte talked earlier about some of the provisions in the bill and some of the amendments Liberal members made to the bill which will improve it in terms of addressing the needs of regions and of workers.

The members also should recognize this party and committee members in committee listened constructively to what Bloc members had to say. If they recall correctly we even adopted an amendment. It was the only one which you brought forward that seemed reasonable to us. You could have been more constructive in bringing forward amendments. However, you cannot deny that we adopted it.

• (1045)

The Deputy Speaker: I would remind the hon. member that he has to put his remarks through the Chair. “You” has to refer to the Speaker.

Mr. Easter: Mr. Speaker, my apologies. I was just trying to convince the member opposite that if she had been more constructive we might have been able to adopt more of her amendments. The kind of amendment that came forward from the hon. member for Mercier on this point, to us, did not make sense.

The bill maintains the insurance features. It finds a better balance. It targets better low income. It brings more people in. It gets rid of the 15-hour job trap. With the amendments that have been put forward by several government members, the bill has been substantially improved. That is progress. That is what democratic debate is all about.

Let me speak directly to the motion put forward by the hon. member for Mercier. It is an amendment which the member must be embarrassed to talk about because she did not address it in her remarks.

The part of the motion that removes section 5 removes the whole financial footing on which coverage under the unemployment insurance program is based. The removed section defines the jobs on which premiums are to be paid and establishes that the coverage is for those who work as employees and thus cannot control their unemployment. I might remind the hon. member for Mercier that the removal of all penalties for quitting would require that every claimant be paid benefits even if the claimant deliberately caused his or her own unemployment by quitting to go skiing or by stealing from an employer and being fired.

The motion ignores the basic premise that unemployment insurance is to provide income support to those who are involuntarily unemployed. It is entirely against the insurance principle that benefit should be denied to an insured person who voluntarily causes the loss against which they are insured.

The motion of the hon. member for Mercier is equivalent to paying fire insurance to the person who burned down his or her own house. That is ridiculous. Maybe that is why she was so embarrassed to talk about her amendment. Facts speak for themselves and that is the fact.

The motion goes further than reversing the C-113 provisions for an indefinite denial of benefits for voluntarily quitting, it also will prevent any temporary disqualifications of seven to 12 weeks, as existed before 1993.

I was told, on investigation, that before the changes were made that those who quit their jobs without just cause were taking over \$1 billion out of the fund each year. I would like the hon. member for Mercier to try to justify taking \$1 billion out of the system for those who abuse the system and cause their own problems.

Simply put, if the government adopted the motion, persons who quit their jobs without just cause or who were fired for misconduct would not be subject to any penalty whatsoever. This kind of irresponsible motion will fail to score any points with Canadians, including hardworking Quebecers.

As I said earlier, when we get reasonable motions that make sense, such as the one which came forward at committee, government members are willing to consider them and, in fact, adopt them which we did.

This motion is so absurd that it flies in the face of the common sense provisions that have been part of the unemployment insurance program since it began 55 years ago. If the government adopted the motion, Canada would be one of the few countries, if not the only one, that allows people to quit their jobs and receive insurance benefits with impunity. Perhaps that is what the hon. member wants, or perhaps it was just thrown in for the sake of moving an amendment without giving it reasonable thought.

• (1050)

The current UI program and the new employment insurance program are designed to help workers who lose their jobs through no fault of their own. That is why it is called insurance. As an employer, I see it as an extremely important program which makes it possible, in the industries and the region I am in, to ensure that we have skilled workers available for the busy season. It is a program that benefits not only employees but employers, and I certainly want to admit that.

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If workers choose to quit their jobs or are fired for misconduct, there is no way that they should expect to collect benefits. The amendment proposed by the member for Mercier would allow that to happen.

I have given their amendments serious thought but I have no choice because of the lack of thought given to this one than to say nay to that amendment. Maybe we will come to some others later that will make more sense, but certainly that one does not.

I expect that is the real reason why the member for Mercier did not speak about the amendment that the member proposed. Instead she talked rhetoric, of things in the past. Again that rhetoric does not apply.

What the member needs to admit is that this bill is a major restructuring and improvement of the situation for employees and employers right across the land. As the evidence becomes clear I am sure that eventually the member will want to admit that.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, on a number of occasions since the beginning of this debate, I have had the opportunity to speak after the hon. member for Malpeque when he had the chance or misfortune of speaking after the hon. member for Mercier. I listened to what he had to say.

I believe the member for Malpeque has a reading and concentration problem. It is truly incredible to hear him say that what the member for Mercier proposes will be terrible, that it will take us back to the previously existing situation, when we were losing a billion dollars because people voluntarily quit their jobs.

The member has a right to say what he thinks, but if he had listened carefully, if he had concentrated all his attention to the debate instead of being distracted by his parliamentary secretary, perhaps he would have understood that the member for Mercier was essentially stressing the fact that, in the March 26 letter he wrote at the time, his leader, the current Prime Minister, voiced his outrage at the Conservative government's plan to recognize fewer valid reasons for voluntarily leaving a job, including sexual harassment and harassment or abuse at any management level.

The member forgot about that, saying—and this is what is so incredible—that these are words and things of the past. The member is effectively telling his leader that the kind of commitment he made on March 26, 1993 is a thing of the past, that it is not proper. I hope the Prime Minister is listening and will remember the comments of the member for Malpeque.

This is incredible. We are essentially repeating today the views expressed by the current Prime Minister when he was Leader of the Opposition. Now, a member of his party is telling him that these views do not make sense, that Canadians would not accept them.

But the Prime Minister was elected to this House on the basis of his views, as were the other members here, including the member for Malpeque. It is difficult to believe what we hear these days, given what happened with the GST. The Prime Minister keeps referring to his red book, but he has a tendency to not recognize comments he made in the past, such as when he talked about scrapping the GST.

However, in this case, he cannot claim not to have made these comments about UI reform. They are in a letter bearing his signature. I have a copy of it, and I could table it if the House gave its consent. But I am sure that it is not necessary. The Prime Minister surely remembers this letter, which he wrote when he was Leader of the Opposition.

• (1055)

In the same vein, the hon. member for Malpeque adds that opposition members only propose negative things. They have a negative point of view. Let me remind the member of a small paragraph in a letter written by the current Prime Minister:

I can assure you that the Liberal Party shares your concern regarding this attack against the unemployed. We do not believe either that the recent superficial amendments will change the fundamentally unfair nature of these measures—

Unfair. These measures were unfair three years ago, but they have now become fair. This is a simple reminder to the member for Malpeque.

The most recent figures on unemployment, which were released this morning, tell us that the unemployment rate has gone up in Canada, including in Quebec. The national rate is currently 9.4 per cent, compared to 9.3 per cent last month. In Quebec, the rate went from 10.9 per cent last month to 11.1 per cent now. Unemployment is on the rise.

And if unemployment is on the rise, it means there will be more jobless and more unemployment insurance claims. But what does the government want to do? It wants to reduce unemployment insurance benefits. Is this a satisfactory solution? It makes no sense at all. They should in fact be increased, accessibility improved.

In her amendment, the member for Mercier proposes to go back to an earlier system predating even the Conservative proposal, because the Liberals did not think it was fair at the time. It is normal to ask for something. As things stand now, with the system changing from weeks to hours, people will be forced to hold down more than one job in order to reach the required number of hours. They will have two part time jobs. We will then see impossible situations where an employee with two part time jobs will be told by one of his employers: "I would like you to work a few more hours for me. I need you". If he agrees, he loses the other job. It becomes a voluntary separation. Consequently his future rights to benefits will suffer.

Does the member find this normal? When we told him this in committee, I recall that he shook his head. We raised another objection. Someone receiving benefits and subsequently incarcerated, for one reason or another that is not important, obviously loses his benefits while he is in jail. But when he gets out of jail, his rights have not suffered, because he picks up where he left off and is entitled to receive UI benefits, unlike the fellow who left one of his two McJobs. Is that fair?

I appeal to hon. members across the way. Is that fair? That someone just out of jail has more rights than someone forced to leave a job by one of his two employers. The member for Malpeque is not reading the amendments or his bill properly.

That is why we would have liked more time. I am certain the majority of the members opposite have not read all 190 clauses in this bill. If they were to read them carefully, they would be against them, as we are. I invite them to reread the Prime Minister's letter of March 26, 1993. Then they would understand.

[English]

The Deputy Speaker: It being approximately eleven o'clock, we will now have Statements by Members.

STATEMENTS BY MEMBERS

[English]

NATIONAL FOREST WEEK

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, during National Forest Week I would like to highlight the new science and technology network that the Canadian Forest Service has adopted.

As many research organizations know, good research needs more than good science. It needs strategic alliances and partnerships. The Canadian Forest Service is committed to creating mutually beneficial relationships around policy issues and research priorities.

This collaboration maximizes the use of scarce resources, bolsters research efforts and maintains Canada's reputation as a world leader in sustainable forest management.

During National Forest Week I would like to recognize the town of Swan River in my riding of Dauphin—Swan River for having been chosen the forest capital of Canada for 1998. Congratulations Swan River.

* * *

[Translation]

NATIONAL FOREST WEEK

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, we are now midway through National Forest Week, an event that has been celebrated for the past 70 years.

S. O. 31

For Canadians and Quebecers, forests represent both a natural resource and a treasure which has had much to do with shaping our lifestyle, our history and our traditions.

How could it not, when forests cover half of Canada's area, providing 340,000 direct jobs and \$19 billion of our gross domestic product? The economy and the life of Matapédia is centred on its forests, which provide a living to hundreds of families.

National Forest Week reminds us that we are responsible for this precious resource, and that we must make sure it stays healthy, drawing upon it reasonably so that it will be there for our children.

* * *

[English]

COMPOSTING WEEK

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, "Compost: For the Love of the Earth" is the theme of this year's national awareness composting week.

During this week, May 6 to 12, the Composting Council of Canada supports activities in communities, schools and workplaces across Canada to celebrate the many benefits and uses of compost.

Compost, familiar to gardeners as a valuable soil amendment, is also being used to assist in erosion control along roadsides and in strip mine reclamation.

Here at the House of Commons an ambitious composting initiative is one of the many successes of the greening the Hill program. Since 1991 Food Services, in partnership with the Office of the Environment, has diverted more than 80 tonnes of organic waste from landfill. Currently all organic waste, including starch, dairy and meat products, is sent to a state of the art vessel composter located at national defence headquarters.

I encourage all Canadians to get involved in composting.

* * *

SCHEP FAMILY

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, the accomplishments of the Schep family in my riding are quite remarkable. The Schep's Thunder Bay Oak Cheese Farm utilizes the cheese making skills the family learned in its native Holland to operate Ontario's first and only Gouda cheese on-farm operation.

Mrs. Schep comes from a long line of cheese makers near the city of Gouda, Holland. Her parents still make cheese. Since the Scheps moved to Canada in 1981 to take over a large dairy operation they have been making the occasional Gouda cheese. What was originally a hobby has become a full time operation.

S. O. 31

This is yet more evidence of hard working immigrants coming to Canada and contributing to our economic growth. I am proud of the government's positive immigration policies and especially proud of the accomplishments of the Schep family.

* * *

THE SENATE

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, spending in the other place appears to be out of control. To illustrate, the Senate spent more than \$206,000 on a committee on euthanasia to produce a report that has been shelved. In addition, its Pearson airport committee ran up a bill of over \$210,000.

The Senate has an annual budget of over \$40 million. Now, with no explanation, it wants another \$4 million tax dollars to top up its budget.

My motion, passed by the Standing Committee on Government Operations, will request the Senate's board of internal economy to appear before the committee to account for its expenses.

As with all public institutions, the Senate must and will be held accountable to taxpayers.

* * *

YOUTH CANADA DAY

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, last Friday more than 700 students, teachers and administrative staff of St. Stephen High School in New Brunswick celebrated Youth Canada Day.

With their theme of national unity, these students, led by their student body representatives Heather Estey and Rob Driscoll, held a truly Canadian assembly marked by the harmony of our national anthem, Canadian declarations and the many Canadian flags lining the halls of this school.

With our very large and diverse country, it is heart warming to see today's youth lead the way toward true Canadian unity, representing diversity and truly demonstrating what it means to be Canadian.

Congratulations to St. Stephen High School students and staff. They are truly leading the way for all Canadians. I am proud of their incentives and achievements in this area.

* * *

[*Translation*]**ASSISTED SUICIDE**

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, this week we grieve the passing of Austin Bastable, a Canadian who had two terrible battles to endure in recent months. His first battle, a

hopeless one, was against the disease which finally led to his decision to choose death in order to put an end to his suffering.

• (1105)

His second battle was against the government's lack of action to recognize people's right to die in peace and dignity at the time of their choosing. Unfortunately for him, and for all Canadians and Quebecers facing horrible deaths, his government did not heed him, nor would it even listen to what he had to say.

This Canadian had to seek self-imposed exile in the U.S. in order to get the qualified medical assistance he needed to end his life. Mr. Bastable himself said, only a little while before his death:

[*English*]

"If it had been left to the Canadian government I would have suffered for much longer, perhaps indefinitely".

[*Translation*]

The debate on this question so often promised by the government must take place.

* * *

[*English*]**GAVIN MAXWELL**

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, today I congratulate Gavin Maxwell of Oakville who last Saturday won the single man canoe race at the hemispheric qualifier in Gainesville, Georgia.

This convincing victory guarantees Gavin a trip to the Olympic Games in Atlanta this summer. The win was especially satisfying because two of the paddlers in the field, the American and the Mexican, had defeated him last fall at a pre-Olympic regatta.

Gavin Maxwell is a fine young man who not only excels in athletics but is an outstanding example to the youth of our country. His hard work and integrity have made him a model ambassador for sport and for Canada.

I know the people of my riding of Oakville—Milton are extremely proud of Gavin and will be cheering him on this summer in Atlanta.

* * *

LAND MINES

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, more than 25,000 people worldwide are killed by land mines every year, and thousands more are injured.

On Wednesday the Minister of Foreign Affairs said Canada is one of the few countries that have banned outright the use of anti-personnel land mines. This is simply not true.

Earlier this year Canada declared a moratorium on the production, export and use of land mines. However, a moratorium is not a

ban. Although it is good, we need Canada to take the lead by domestically banning the production, use and sale of these heinous silent killers.

The minister was incorrect in his statement this week. Canada has long been one of leading voices in calling for a total ban. It is now the topic of discussion for a proposal which would establish a land mine free zone in the Americas, which Canada supports.

It is time now for Canada to show bold leadership and send a clear signal to the international community by declaring a domestic ban on the import, use and production of land mines.

* * *

[*Translation*]

JEUX DE LA FRANCOPHONIE

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, earlier this morning the cities of Ottawa and Hull, the regional municipality of Ottawa-Carleton and the communauté urbaine de l'Outaouais announced the signing of an agreement of understanding to establish a partnership so Ottawa-Carleton and the Outaouais could bid on the 2001 Jeux de la Francophonie.

There are two parts to these games, which have been held every four years since 1987: the sporting competitions and the cultural competitions. The games also include competitions for young people with a handicap.

The host country welcomes some 2,700 athletes and artists from 49 participating countries for a two-week period. The economic benefits of these games are readily apparent.

I wish every success to those who proposed this initiative and I can assure them of my solid support in the effort to obtain the Jeux de la Francophonie.

* * *

RISK CAPITAL FUNDS

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, in March, opposition members tore at their shirts in a public expression of disapproval of one of our budget measures aimed at reducing certain advantages accorded risk capital funds such as those of the FTQ or the CSN.

The leader of the Bloc Québécois wondered at the time how Ottawa could justify, and I quote: "an attack against a tool as effective in creating and maintaining jobs"

Yesterday the Quebec Minister of Finance vindicated us in this matter, because he decided to follow our lead and cut some of the advantages accorded these funds.

S. O. 31

This morning, the Bloc Québécois members got off with having to stitch up their shirts. The federal and Quebec finance ministers decided in this area to harmonize their policies in order to reach an objective of fairness and justice for all investors.

* * *

● (1110)

MOTHER'S DAY

Mrs. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, for nearly 75 years, the second Sunday in May has been a very special day. On that day, whether we are young or old, male or female, rich or poor, we experience special feelings for this unique woman who, day after day, rocked our cradle, wiped our tears, encouraged our efforts.

Because it is through their eyes that we learned to believe in life, we rise today to wish a happy Mother's Day to all the mothers out there.

Our wishes are directed especially to those mothers and grandmothers who have been forgotten. Although they may be alone, we want to remind them that the love one lavishes on others is not lost, because it leaves a never-ending legacy of courage, generosity and kindness. For their gift of life and love, we thank them from the bottom of our hearts.

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[*English*]

FEDERAL BUDGET

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, the Government of Quebec has announced it will balance its budget by the year 2000, joining the chorus of responsible provincial governments which have either balanced their budgets or announced a plan to do so.

Why is the federal government conspicuously absent from the Team Canada initiative?

If Canadians judge the strength of their governments and their finance ministers by their ability to stop going further into debt, this government and finance minister must be regarded as the most weak-kneed of the bunch.

After two and a half years the federal government has failed to balance its budget as have provinces like Alberta, Saskatchewan, Manitoba and New Brunswick. It has not even announced a plan to eliminate the deficit, as have all the remaining provinces.

On this basis it is now clear the federal government is the only distinct society in Canada. Even more leadership threatens the financial security of ordinary Canadians, other levels of government and future generations that will inherit a staggering debt.

*Oral Questions***TAXATION**

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, the auditor general reports that Revenue Canada agreed to let a family trust ship \$2 billion out of the country to avoid taxes.

Canadians now have reports the government has known for two years that Canadian banks and other large corporations are systematically evading taxes by illegally transferring their taxable profits into foreign tax havens.

Canadians are wondering how many hospital beds, how many college classrooms, how many pensions could have been saved if these corporations and trusts had paid their taxes.

Canadians ought to be told whether the government has launched any criminal investigations into tax evasion by Canadian corporations and will contributions from those same corporations acting with flagrant irresponsibility continue to be accepted by the Liberal Party. What responsibility do the higher officials bear who approved this deal?

Small wonder we have trouble making our politicians accountable when our highest officials sell us out.

* * *

ME/FM AWARENESS DAY

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, Sunday, May 12 is national ME/FM awareness day.

Imagine overnight changing from a vital, healthy, active person to someone who lacks enough strength to get out of bed.

I refer to Canadians suffering from chronic fatigue syndrome and its related illness, fibromyalgia, real and severe diseases which impair their victims and their ability to work.

CFS can take a perfectly healthy person and create a totally dysfunctional individual. Young people are frequent victims; lost jobs, depression and sometimes suicide are often the effects.

Yet Canada has no federal policy framework in place to ensure care and treatment for thousands of these individuals, nor does the federal government undertake to fund laboratory research and control.

The medical professionals must take a more proactive role in diagnosis. The public must be better informed. Health Canada must beef up its research. There are 100,000 affected Canadians who need recognition of these diseases. Petitions bearing 15,000 signatures from all across Canada showing this illness has touched many will be presented in the House today.

In Ottawa this weekend MESH Ottawa will hold a health fair, and in Regina members of the medical profession supportive of CFS sufferers were honoured on May 8.

* * *

MACLEAN'S

Mr. Mark Assad (Gatineau—La Lièvre, Lib.): Mr. Speaker, I draw to the attention of the House a column written by Barbara Amiel in *Maclean's* on March 18.

She repeated the most malicious statements allegedly delivered by President Yasser Arafat, full of crude anti-Jewish slurs likely to make any reader abominate the speaker and his people.

• (1115)

The alleged story had been repudiated by Prime Minister Peres of Israel as well as President Arafat. The *Economist* of March 16 published a very effective explanation of how it was fabricated, and many other papers followed suit.

It is surprising that Barbara Amiel or *Maclean's* would print such a detrimental fabrication without verification. What is unconscionable and disturbing is that so far neither Barbara Amiel nor *Maclean's* has had the sense of justice to tell their readers that it is a fabrication and apologize. Otherwise it borders on fostering race hatred in Canada.

ORAL QUESTION PERIOD

[Translation]

EXPERIENCE CANADA PROGRAM

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, Experience Canada is the newest Liberal brain wave for politically influencing Canada's young people. This Year 2000 version of Katimavik proposes work experience, in a form not yet fully defined. The main cause of concern about this program is that the budget will be administered by the Council for Canadian Unity.

How can the Minister for Human Resources Development explain that the administration of a \$21 million program supposedly aimed at helping young people is being entrusted to a highly political and extremely partisan organization?

Hon. Douglas Young (Minister of Human Resources Development, Lib.): Mr. Speaker, without addressing all of the details in the hon. member's comments on the Council, allow me to point out that Experience Canada is a partnership. The bulk of the funds to be spent on helping young people everywhere in the country, young people in all provinces, comes from the private sector.

Companies and stakeholders in the private sector are prepared to assume their responsibilities and to contribute to the development

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of our youth throughout the country, through exchanges and workplace learning experiences. I trust that everyone will support a partnership of this type between the private sector, the governments, and our young people.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, this is a motherhood issue; of course we have nothing against partnerships. Quebec is, as the minister well knows, a pioneer in such arrangements. That was not the question.

The federal government is telling us that it will be withdrawing from the manpower field. This was a commitment made in the throne speech, but in practice it is adding another player, the Council for Canadian Unity, a body that is not all that neutral, and one not generally involved in employment.

How can the minister justify one more finger in the manpower pie? How can he justify this, except as an intention to use money earmarked to help our young people for political ends, because the Council for Canadian Unity is a propaganda machine, pure and simple?

Hon. Douglas Young (Minister of Human Resources Development, Lib.): Mr. Speaker, just the day before the announcement, which once again demonstrated the private sector's willingness to help young people everywhere in this country, who are having a really hard time finding work, one of the key stakeholders in the Council made some comments. What he said, in my opinion, ought to clearly demonstrate that there is a fairly wide range of opinions within the Council for Canadian Unity.

Peter White was the person in question, and what he had to say demonstrates, in my opinion, the divergence of opinions about the future of the country and about what ought to be done to ensure its survival.

The entire Experience Canada exercise is focussed on young people, and I trust that all those who are interested in doing something to help young people will do so, whether in the private sector or in some coalition or other, and whether they share our vision of Canada or that of the hon. member.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, granted there may be a whole range of opinions within the Council on Canadian Unity but, regardless of their differences, they are all playing the same tune. It is, after all, the Council for Canadian Unity. It is a body involved with Canadian unity, with the Constitution, it is as simple as that.

• (1120)

I would like to ask the minister how the Council for Canadian Unity has suddenly acquired expertise in training young people. Let us face it, that is really a bit far fetched.

Hon. Douglas Young (Minister of Human Resources Development, Lib.): Mr. Speaker, I hope the hon. member is not trying to tell us that in my department we ought—and it is the furthest thing from my mind—to go over all of the applications from all of the hon. members in this House, from all parts of Canada, with a magnifying glass. That we should scrutinize all requests to assist organizations working with young people, in order to find out whether these young people belong to a separatist organization or to some organization that is working for Canadian unity?

I have sufficient respect for young people to allow them to do what they have to do, and to gain experience. I trust—and am not in the least hesitant to say so—that all of the young people, whether from Quebec or from elsewhere, will come to appreciate Canada, as so many have before them, for so many decades.

Mr. Stéphan Tremblay (Lac-Saint-Jean, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

The new federal government initiative called Experience Canada has not done much to eliminate the numerous cases of overlap in the area of manpower.

How can the government justify the fact that millions of dollars officially set aside for training young people have in fact been used to indoctrinate them instead?

Hon. Douglas Young (Minister of Human Resources Development, Lib.): Mr. Speaker, although we managed this year to double the federal funds available to help young people, it was obviously not enough. The demand largely exceeds our resources.

I should point out to the hon. member that, as a result of this initiative, which comes partly under the responsibility of the Council for Canadian Unity, we managed to double these funds in partnership with the private sector. I think the truth is that we receive many more applications than we have resources.

Mr. Stéphan Tremblay (Lac-Saint-Jean, BQ): Mr. Speaker, instead of wasting public funds in this way or financing task forces that are not representative of young people, what is the government waiting for to settle the manpower training dispute between Canada and Quebec, which is the only way to give some real hope to Quebec's young people?

Hon. Douglas Young (Minister of Human Resources Development, Lib.): Mr. Speaker, I agree with the hon. member that we must all work together to try to find a way to ensure that young people in Quebec and elsewhere have as many opportunities as possible to join the workforce.

That is why I reiterate that we in the Government of Canada are developing a position which, I hope, will be acceptable to the Quebec government. We are currently drafting a proposal that, I

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hope, will not only reflect the Quebec consensus on manpower but also benefit young and not-so-young people across the country.

* * *

[English]

TAXATION

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, to get itself out of the GST mess the government has concocted an illusion that would put Doug Henning to shame. It said consumers would be getting a break with the new Liberal GST, but up one sleeve was a billion dollar payout and up the other was a whole arsenal of new tax powers that gave the provinces room to raise taxes in the future.

The Minister of National Revenue said it would be revenue neutral. When is she going to admit that consumers in Atlantic Canada and across the country are going to be paying through the teeth for this broken Liberal promise?

Mr. Barry Campbell (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I thank the hon. member for his question which we have heard over and over again. Maybe at some point members will hear loud and clear that what we have done is good for Canadians, good for consumers. The Atlantic provinces realize and businesses throughout the Atlantic provinces realize that a national harmonized tax as we proposed and as is being implemented is good for Canadians.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, it is a tax grab and it is that simple.

I want to ask the minister about her views on Quebec's plans to present the federal government with a \$500 million bill for the costs incurred when Quebec harmonized its sales tax. It is Quebec's opinion that if the government can find a billion dollars for Atlantic Canada, then it can find half a billion dollars for it.

• (1125)

My question is for the same minister. Is it the intention of the federal government to compensate Quebec for its harmonization costs?

Mr. Barry Campbell (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, the hon. member knows, because he has asked questions before about the formula of adjustment assistance, that it provides assistance to provinces that incur losses in excess of 5 per cent of their tax revenue under their existing PST. That formula applies across the country. That is the formula which has been applied in Atlantic Canada. It would result in adjustment assistance to some provinces and not others. It is a consistent formula.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, I am surprised the government is not planning to compensate Quebec,

given how free it has been with taxpayers' money with respect to Atlantic Canada.

The truth of this Liberal GST fiasco is that consumers are going to end up footing the bill. New Brunswick is planning to create a new business tax to make up for the harmonization shortfall. Nova Scotia has already boosted its corporate taxes. Newfoundland said that it plans to make up the revenue somehow.

The government can saw it in half, can pull it out of a hat, can try to make it disappear, but the truth is that this harmonization plan is bad for consumers. When will the minister admit that it is not revenue neutral and it will cost billions in higher prices and higher taxes for Canadians?

Mr. Barry Campbell (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I am a little surprised at the hon. member's supplementary question. As members of the committee, his colleagues were with us on the road when Canadians said this is what they wanted to see, harmonized taxes, not two sales taxes in this country.

He talks about Doug Henning the magician. A more appropriate analogy for him is King Canute trying to roll back the waves.

* * *

[Translation]

SOMALIA INQUIRY

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, my question is for the Acting Prime Minister.

Two days ago, we questioned the Minister of Defence about the questionable circumstances under which the army arrested Corporal Michel Purnelle to prevent him from making information available to the Somalia inquiry. A mere five hours after question period, seven charges were laid against him for having had the courage to disobey an order from a superior who wanted to stop him from speaking.

How can the Acting Prime Minister justify the fact that, a mere five hours after the Minister of Defence stated that no member of the armed forces would be prevented from giving information, seven charges were laid against a member of the armed forces who had to disobey orders so he could speak to the commission's attorney?

[English]

Mr. John Richardson (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the minister has said on many occasions in this House that no member of the Canadian forces will be penalized for testifying before the commission. Indeed, any member with information must come forward and volunteer that information before the commission.

That being said, part of the duties of a person in the armed forces is to stay at their post. Until I see the details upon which this corporal left his post, I cannot answer the member's question.

[Translation]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, what we hear in this House and what takes place outside is equally appalling. The chairman of the commission himself, Mr. Justice Létourneau, expressed great concern about the turn events were taking in this matter.

What message does the Acting Prime Minister think this is sending to our military when anyone who attempts to give evidence at the inquiry faces a court martial?

[English]

Mr. John Richardson (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the operational effectiveness of the Canadian forces depends on a discipline based society. When members of the forces ignore basic rules about leaving their posts without authorization, there could be anarchy in the armed forces.

Until we have the full details I cannot answer the question.

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the Department of National Defence has just laid seven charges against Corporal Michel Purnelle. His crime? He wanted to testify before the Somalia commission. Yesterday the inquiry chairman said he was troubled and strongly disappointed by the decision to detain and charge Purnelle.

Why does the minister allow his department to intimidate potential witnesses?

Mr. John Richardson (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, again the minister has stated in this House that no member of the Canadian forces would be penalized for appearing before the commission. Indeed, any member who has information that would assist this inquiry should appear before the commission.

• (1130)

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, on October 27, 1995 the minister told this House and *Hansard* states: "Every member of the Canadian armed forces has an obligation to come forward to that commission. The government will not tolerate any intimidation toward any of those people". These are fine words but Purnelle listened to the minister and is being punished for coming forward.

Why is the government talking out of both sides of its mouth by publicly encouraging soldiers to come forward by permitting—

The Deputy Speaker: The hon. parliamentary secretary.

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Mr. John Richardson (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I will have to say again that the ethos of the service is based on a discipline based organization. People who join know and are trained not to leave their posts without permission. As for further details, I cannot answer that question.

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[Translation]

TAXATION

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, my question is for the Minister of National Revenue.

Earlier this week, the auditor general said that, because of decisions made by Revenue Canada, the government will not tax capital gain transfers. This situation, which the government could correct in a matter of hours, will cost taxpayers hundreds of millions. However, the comments of the Minister of Finance and the Minister of National Revenue indicate that the government will not budge on this issue.

Will the Minister of National Revenue use her authority to immediately put a stop to this tax loss which only benefits the very rich?

[English]

Hon. Jane Stewart (Minister of National Revenue, Lib.): Mr. Speaker, I appreciate having yet another opportunity to remind the House that we are a government of action. Let us look at what really happened.

On Tuesday the auditor general brought to our attention that he had concerns about particular legislation with regard to the Income Tax Act. He wanted it clarified and we said that we wanted it clarified so on Tuesday we asked the finance committee to put it on its agenda to review it. He said he had some concerns about lacking documentation. That same day I directed my department to improve the standards for documentation. He noted that he was glad that from now on we will be tabling our rulings for all Canadians to see.

I do not know what more the hon. member wants. This government has acted directly and expeditiously.

[Translation]

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, while the minister is talking, billions of dollars are being transferred out of the country every day.

The minister has the power to revoke the decisions made by Revenue Canada and to collect hundreds of millions, if not billions, in taxes owed to the federal government. Will she act responsibly or will she condone these decisions?

Oral Questions

[English]

Hon. Jane Stewart (Minister of National Revenue, Lib.): Mr. Speaker, the auditor general himself pointed out how difficult and complex this tax legislation is.

We feel that the appropriate strategy is to have that tax legislation reviewed in an open forum at the finance committee where members of Parliament from all parties have an opportunity to state their case, review it and make recommendations. We look forward to those recommendations.

* * *

FISHERIES

Mr. John Cummins (Delta, Ref.): Mr. Speaker, the fisheries minister is a flip-flop pro. First he said that the B.C. buy back would conserve fish and then he said it would not. Then he said there would not be a fee holiday for fishermen this year and then he said there would. While he is flip-flopping to protect his own career, fishermen are convinced that the government is going to do to the west what it did to the east. I do not know whether to laugh at the minister or to cry for the fishermen.

Why is the government proceeding with a brutal restructuring plan when it admits that it does not know if a single fish will be saved in the process? What is the real agenda?

Hon. Fernand Robichaud (Secretary of State (Agriculture and Agri-Food, Fisheries and Oceans), Lib.): Mr. Speaker, I do not know the point my colleague wants to make. All along members have been saying that the minister should listen to the industry, should listen to the stakeholders. That is exactly what the minister has done.

Last week he went out there and met with groups, with all the people who had a stake in the salmon fishery. He met with some people again this week. As late as yesterday he issued some fine tuning points to his plan which will reflect the preoccupation of the people in the industry. The minister is listening. The minister has made accommodations for those people.

The plan will work. The plan is supported by the industry. Some people have come out this week in support of that very same plan.

• (1135)

Mr. John Cummins (Delta, Ref.): All two of them, Mr. Speaker.

More than fine tuning is required to rejig this plan. The government wants B.C. fishermen to take hard medicine yet neither the minister nor the premier of B.C. are interested in saving fish. The minister is cutting the number of fishermen in half while the premier of B.C. is giving half of the resource away, adding up to no fish saved and fishermen's lives decimated.

Fishermen want a plan that will hurt as few people—

The Deputy Speaker: Will the member please put his question directly.

Mr. Cummins: Mr. Speaker, will the government back off this ill-conceived plan and come up with something that saves fish without sacrificing fishermen?

Hon. Fernand Robichaud (Secretary of State (Agriculture and Agri-Food, Fisheries and Oceans), Lib.): Mr. Speaker, as I indicated in my previous answer, this plan has received wide support from the industry and many groups out on the west coast.

The members of the Reform Party might not agree with that but the situation is that this plan will go ahead with the support of the industry.

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[Translation]

OFFICIAL LANGUAGES

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, my question is for the Minister of Industry.

All the complaints received by the official languages commissioner concerning the language used by the federal government on Internet came from francophones. This is not surprising, since it is hard to see how the government would respect the Official Languages Act there, when it cannot even manage to do so using traditional means of communication.

Will the federal government follow up on the commissioner's recommendation that it make a clear commitment in favour of promoting both official languages in its information highway strategy?

Hon. John Manley (Minister of Industry, Minister for the Atlantic Canada Opportunities Agency, Minister of Western Economic Diversification and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, certainly.

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, I like the minister's answer, because, following his colleagues' example, he promised to do so in November 1995 and he has still not delivered. Obviously, this kind of response is proof to us that the promises of this government are never kept.

When will the government make public its information highway strategy?

Hon. John Manley (Minister of Industry, Minister for the Atlantic Canada Opportunities Agency, Minister of Western Economic Diversification and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I had a little trouble hearing the member, but if I understood his question correctly, we are going to announce our information highway strategy soon.

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We received a very important report from the advisory committee on the information highway a few months ago. We will soon be ready to reply. I would also like to point out, with respect to the member's question, that Canada will be hosting the Inet conference in 1996 here, in Canada, in Montreal. Canada was chosen, but we chose the city of Montreal for this meeting of Internet experts in order to try to come up with a plan promoting languages other than English on the Internet.

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[English]

MANITOBA FLOOD

Mr. Elijah Harper (Churchill, Lib.): Mr. Speaker, over the past few weeks the people of Manitoba have experienced severe flooding. News reports blame the federal government for changing funding arrangements and for treating Manitobans less equitably than others.

On behalf of my colleague, the MP for Provencher, who is meeting with officials in Manitoba on this very issue, would the acting Prime Minister please assure Manitobans affected by this flood that they are being treated fairly under the same rules as the rest of Canada?

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, as the member knows, as part of the way in which this country shares responsibility, the federal government over the last 25 years has provided well over \$260 million to various communities affected by disaster. Of that portion, Manitoba has received 20 per cent in the last 10 years, well over \$50 million.

The fact that the premier of Manitoba has been making comments to the contrary simply shows that he is not aware of how the agreement works or that he is not aware of the responsibilities of the province. I simply suggest that it would be very useful if the premier of Manitoba stopped trying to make cheap political points and got to work with us to help the people affected by this serious flooding problem in Manitoba.

* * *

• (1140)

CANADA POST

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, Canada Post has been promoting how far the corporation can send a letter for 45 cents with full page colour newspaper ads and nationwide household flyers.

Canada Post is a crown corporation funded by taxpayers with a monopoly over first class mail. I question why taxpayers should be funding advertisements when, because of the postal monopoly, no other service is available.

Can the minister of public works explain why Canada Post is advertising its mail service when there is no other choice available to Canadians?

Hon. Diane Marleau (Minister of Public Works and Government Services, Lib.): Mr. Speaker, perhaps I could set the record straight and ensure that everyone is aware that there have been no appropriations of moneys from the federal government to Canada Post since 1988.

We looked into the fact that Canada Post was advertising the sale of its stamps. It must promote its products because there is so much competition from E-mail, the Internet and many other modes of delivering messages. They compete with Canada Post. Therefore, it must continue to promote the services it provides to every region of the country, to every Canadian. It is a very good service. It is one that is very much needed.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, it would appear the minister is quite prepared to see Canada Post become Canada toast.

Why would Canada Post advertise a stamp when the only place people can get stamps is in the post office?

The member for Prince George—Bulkley Valley asked this question two months ago. The minister said that she would look into it and respond. It would appear that her action is no action at all. Will the minister stop Canada Post advertising today?

Hon. Diane Marleau (Minister of Public Works and Government Services, Lib.): Mr. Speaker, it is absolutely essential for the Canada Post message to get out so the taxpayer does not have to subsidize its operations.

We are concerned with the future of Canada Post. As such, we have a mandate review going on now. We look forward to receiving that report at the end of July. We are concerned, as every Canadian should be, to ensure the mail does get to everyone.

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[Translation]

FEDERAL PUBLIC SERVICE

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

For six years now, Treasury Board has been developing a general classification standard for federal public servants, which was supposed to be universal and non sexist. However, according to the auditor general, the standard is sexist and would not pass the test of the human rights act.

How can the Acting Prime Minister explain that, after six years, public service officials have not been able to come up with a non sexist general classification standard?

[English]

Mr. Ovid L. Jackson (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, we agree with the

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auditor general that this classification system is something to which we should pay attention. Since 1993 we have been working very hard in this direction.

The auditor general agrees that it is not a simple system to try to condense some 70 different categories into one. We are working hard on this. We have said that we would get government right and the auditor general has already reported four times to this House. By the next report I can assure the House that we will have made some substantive movement on this file.

[Translation]

Mrs. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, the auditor general underlined the excessive administrative costs associated with the standard's implementation.

How can the government allow such a loss of control over spending in a period of major budget cuts?

[English]

Mr. Ovid L. Jackson (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, as I have said before, the government is using all the tools at its disposal to get government right.

• (1145)

In every plan that we have looked at we are trying to get the civil service to take over. We are trying to transfer these services. We will continue to work on that file. It is not an easy file. We have 16 different unions and we are working with each one to try to accommodate them.

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JUSTICE

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, according to today's newspapers the justice minister, with the support of his provincial counterparts, plans to release all first time offenders from jail. The report indicates that the minister was emphasizing non-violent offenders.

I ask the minister's representative here today what constitutes a non-violent offence? Is drug trafficking non-violent? Is breaking and entering non-violent? What about white collar crime?

Mr. Gordon Kirkby (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I thank the hon. member for his question.

The hon. member is aware that the Minister of Justice has been moving to ensure that our homes and our streets are safe. In that vein he is taking measures to ensure that violent offenders are put behind bars, where they belong, for an appropriate length of time

through measures to stiffen up the Criminal Code and, through the solicitor general, measures to stiffen up the conditional release act.

We will continue to take measures such as this to ensure that violent offenders are behind bars to keep our streets safe.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the justice minister has made a designation and he has given us no definition of what non-violent offences are. With due respect to the member who responded to my question, he did not answer it. We are not any better informed than when I stood to ask the question.

What guarantee can the government give that the release of these offenders will not create a threat to members of society?

Mr. Gordon Kirkby (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, with respect to the hon. member, the Minister of Justice and his provincial counterparts have been working on such initiatives for a considerable length of time.

Such initiatives are consistent with what has been stated by the minister in the past and are quite consistent with the beliefs of the member opposite. We ought to ensure that violent offenders are kept incarcerated for an appropriate length of time to keep our society safe and to deal with non-violent offenders in a community setting.

* * *

FORESTRY INDUSTRY

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, I would like to welcome back our colleague from Carleton—Gloucester who is healthy and fit. On behalf of the House I wish a speedy recovery for the House leader, the hon. member for Windsor West.

Sustainable development is a major commitment of the government and Canadians are proud of their forest industry.

Can the Parliamentary Secretary to the Minister of Natural Resources tell the House what the government is doing to provide national and international leadership to ensure sustainable development in the forest industry?

Mrs. Marlene Cowling (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Speaker, involvement in the criteria and the indicators process demonstrates Canada's ongoing commitment to sustainable forest development.

Extensive consultations are ongoing between the provincial and territorial governments, the federal department and other forest stakeholders.

The Canadian initiative with the international criteria and the indicators process will level the playing field by moving us closer to a common definition of sustainable forest development.

Oral Questions

[Translation]

QUEBEC BRIDGE

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, my question is for the Minister of Transport.

Yesterday morning the minister, appearing before the transport committee, again refused to commit to funding part of the repair work to the Quebec bridge. His excuse was that the federal government has already done its share, transferring lands to the CN for one dollar, the estimated value of which is in the millions.

• (1150)

Is the minister aware that the transfer of the lands concerned will probably not be completed before the year 2000? In the meantime, is the minister going to finally recognize that the federal government cannot shirk its responsibilities with regard to repairing and developing the Quebec bridge?

Hon. David Anderson (Minister of Transport, Lib.): Mr. Speaker, ten trains a day cross the bridge, whereas it is used daily by 25,000 cars and trucks.

The deterioration of the bridge, including the part on which vehicles drive, is due mainly to car and truck traffic, and to using salt throughout the winter season to make it safer.

Motor traffic in the province of Quebec is the responsibility of the Quebec transport department; it is not a federal responsibility. I find it rather surprising that the hon. member and his party would want the federal government to interfere in Quebec's affairs.

* * *

[English]

FISHING

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, we do not execute someone accused of murder and then have a trial to see if he or she is guilty.

The Minister of Fisheries and Oceans is executing his marine fee structure plan before studying its impact. What good is a post-mortem if the industry is dead? Has he learned nothing from what he has done to the Canadian fishing industry?

Hon. Fernand Robichaud (Secretary of State (Agriculture and Agri-Food, Fisheries and Oceans), Lib.): Mr. Speaker, the impression should not be left that the minister went into this program of fees without first having studied the matter.

A study was done by a company for the coast guard before the fee structure was considered. After we had met with the stakeholders from one coast to the other, we decided that we would go with the plan we put forward. This plan will certainly not have the effect

on the industry that the member opposite seems to think it will have.

* * *

FIRST MINISTERS' CONFERENCE

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, my question is for the government and has to do with the first ministers' conference that was announced yesterday, which the government finally got around to bringing together.

Could the government inform us what will be the agenda of this meeting? Is it going to transfer manpower training? Is it going to pursue more devolution? Is it going to talk about economic union? Is it going to live up to the commitments it made during the referendum campaign? Since it has called a meeting, could it at least inform us and the premiers what the agenda will be?

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, the hon. member should know that the Minister of Intergovernmental Relations has had extensive consultations with all the provinces to determine what the agenda of the meeting should be, how we can come together on questions of the economic, social and political union to make this country work better.

We do things differently than the past government. We work with the provinces to get a common agenda that we can work on together.

* * *

HUMAN RIGHTS

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, my question is for the minister responsible for the status of women and public works to whom I have given notice.

In the continuing saga of the harassment case of Ann Raney, the female engineer on the Peace Tower project and of Ray Wolf and his project workers who followed in sympathy and solidarity, we now see that Mr. Karmash, the offending supervisor, is back on the site. Yesterday Colonial, his employer, refused to sign an arbitration process to resolve matters.

Since the government has failed in all of its efforts to apply ordinary commercial contract law to this situation, when will it apply the full force of the human rights clauses in the contract to resolve this ridiculous situation where Canadian human rights law is ignored by contractors right here on Parliament Hill?

Hon. Diane Marleau (Minister of Public Works and Government Services, Lib.): Mr. Speaker, it is important that we clarify exactly what the cases are about.

• (1155)

More than one case is involved here. Let me advise the House that the discrimination case between Ann Raney, Mr. Wolf and

Oral Questions

Colonial has been resolved. All of the parties have signed an agreement. That case has been set aside. There continues to be another dispute which we are working at facilitating. We hope it will be resolved in the near future.

We are extremely concerned, especially in relation to the discrimination which did occur. We want to ensure that in future any of our contracts are structured in such a way that action can be taken very quickly to prevent a reoccurrence.

* * *

TRADE

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, my question is for the Minister for International Trade. Export growth has been the key to much of job creation success since the government took office.

Can the Minister for International Trade tell the House what the future holds for Canadian companies in new and emerging world markets with respect to trade?

Hon. Arthur C. Eggleton (Minister for International Trade, Lib.): Mr. Speaker, as question period draws to a close, I am happy to bring some good news. Over the last three years since the government took office exports have increased by 40 per cent.

Last year the trade surplus was some \$28 billion. Trade has gone up from 26 per cent to 37 per cent of GDP in just four years. The future also indicates that there will continue to be big increases in export and trade investment.

That means that the government is delivering on its promise of jobs and growth because for every billion dollars of new trade 11,000 jobs are created for Canadians.

* * *

HEALTH CARE

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, my question is for the Minister of Health.

A recent poll showed that a majority of Canadians would like to be able to buy private health care insurance and private medical services. Will the government do the right thing and allow Canadians to do this by amending the Canada Health Act forthwith?

Mr. Joseph Volpe (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, the member has failed to indicate that the same poll suggests that Canadians are overwhelmingly in favour of the Canadian health care system as it currently exists.

There are enormous inconsistencies in the party position of the member on health care. One day its members insist that the one tier system is the best system and on another day they have a different position. Today must be that day.

However, he should be aware, as all Canadians are, that the government will maintain the integrity of the system and make sure that it continues to provide the services required by Canadians everywhere on the same basis and not on a per pay basis.

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[Translation]

INSTITUT MAURICE-LAMONTAGNE

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

The minister has already clearly indicated to us that, despite projected financial cuts, the Institut Maurice-Lamontagne will continue to exist. However, it remains to be seen whether the minister will not make an empty shell out of it.

How can the minister explain that he wants to reduce funds allocated to the Institut Maurice-Lamontagne, when we know the Department of Fisheries and Oceans allocates only 9 per cent of its scientific research budget to Quebec and the situation will deteriorate further if the minister goes through with his plans?

Hon. Fernand Robichaud (Secretary of State (Agriculture and Agri-Food, Fisheries and Oceans), Lib.): Mr. Speaker, it is true that the Department of Fisheries and Oceans went through a review of all the programs it was providing and had to make certain adjustments.

But I want to assure the hon. member the programs at the Institut Maurice-Lamontagne will not be affected more than those elsewhere and the institute will continue to play a major role in fisheries in Canada.

* * *

● (1200)

UNEMPLOYMENT

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, unemployment statistics released today show that the maritime provinces, and Newfoundland in particular, have apparently benefited the most from the 40,000 new jobs created last April.

Could the minister outline the main reasons why, in his opinion, Atlantic Canada did so well?

Hon. Douglas Young (Minister of Human Resources Development, Lib.): Mr. Speaker, all the provinces are making every effort to find ways, in co-operation with the Government of Canada, of resolving the unemployment problem that affects us all. Of course, some are more successful than others.

I would like to assure my hon. friend that, in Atlantic Canada and across the country, the indicators are nevertheless favourable. Unemployment reduction has slowed down slightly, but I hope that, with the private sector, the provinces and the Government of

Canada working together, we will continue to reduce unemployment in all parts of the country.

ROUTINE PROCEEDINGS

[English]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Paul DeVillers (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister of Inter-governmental Affairs, Lib.): Mr. Speaker, I would like to present the government's response to several petitions.

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[Translation]

TRANSPORT

Mr. Paul DeVillers (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister of Inter-governmental Affairs, Lib.): Mr. Speaker, pursuant to Standing Order 32(2) and in accordance with subsection 13(3) of the Canadian Transportation Accident Investigation and Safety Board Act, I have the honour to table, in both official languages, the annual report of the investigation board for the 1995 calendar year.

Pursuant to Standing Order 32(5), this report is deemed permanently referred to the Standing Committee on Transport.

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[English]

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I have the honour to present the 16th report of the Standing Committee on Procedure and House Affairs regarding the membership and the associate memberships of various standing committees.

[Translation]

With leave of the House, I intend to move for concurrence later this day.

Routine Proceedings

[English]

PETITIONS

HEALTH CARE

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, pursuant to Standing Order 36 I am pleased to present a petition bearing the signatures of about 1,500 fellow Manitobans.

The petitioners call on Parliament to establish national policies to control and contain the incidents of myalgic encephalomyelitis, fibromyalgia, and multiple chemical sensitivities in Canada and to ensure care, treatment, comfort and dignity for persons afflicted with these illnesses.

CONSCIENTIOUS OBJECTION ACT

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I present a petition from 29 of my constituents who ask that peace tax legislation be passed into law and specifically that the conscientious objection act be made into law.

HEALTH CARE

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, I would like to present two petitions. The first petition is signed by 220 New Brunswickers. The second petition is signed by 455 Nova Scotians.

The petitioners call on Parliament to establish national policies to control and contain the incidents of chronic fatigue syndrome, known as ME, fibromyalgia, and multiple chemical sensitivities in Canada and to ensure care, treatment, comfort and dignity for persons afflicted with these illnesses.

[Translation]

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, I would like to table a petition signed by 372 people from Quebec who are asking the government to set national policies to control and contain the incidence of chronic fatigue syndrome and fibromyalgia, and to ensure care, treatment, comfort and dignity for those afflicted with these illnesses.

● (1205)

[English]

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, it is my pleasure today to present a petition from British Columbia with 751 names collected in order to ask the government to begin to act on chronic fatigue syndrome, fibromyalgia and multiple chemical sensitivities, and to take care of these people, have treatment for them and to assure them dignity when they are afflicted with these illnesses.

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, I have a petition with 10,818 signatures from people in the province of Ontario. These people are also calling on Parliament to establish national policies to control and contain the incidents of myalgic encephalomyelitis, fibromyalgia, and multiple chemical sensitivities in Canada, and to ensure care, treatment, comfort and dignity for persons affected with these illnesses.

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I too have the pleasure to present a petition which calls on Parliament to establish a national policy to control and contain the incidents of

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chronic fatigue syndrome, fibromyalgia, and multiple chemical sensitivities in Canada, and to ensure care, treatment, comfort and dignity for persons affected with these illnesses.

The petition contains 211 names from the province of Prince Edward Island.

Mr. John Loney (Edmonton North, Lib.): Mr. Speaker, pursuant to Standing Order 36, I present a petition on behalf of 262 residents of Alberta.

The petitioners call on Parliament to establish national policies to control and contain the incidents of myalgic encephalomyelitis, fibromyalgia, and multiple chemical sensitivities in Canada, and to ensure care, treatment, comfort and dignity for persons afflicted with these illnesses.

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.): Mr. Speaker, I have several petitions from Newfoundland asking Parliament to establish national policies to control and contain the incidents of chronic fatigue syndrome and multiple chemical sensitivities in Canada, and to ensure care, treatment, comfort and dignity for persons afflicted with these illnesses.

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COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I move that the 16th report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

(Motion agreed to.)

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Paul DeVillers (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, I ask that all questions be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I tabled a question on February 28, 71 days ago. It is the same question that I had on the Order Paper since September 15 of last year. It was on the Order Paper when the House prorogued.

I was assured by the former parliamentary secretary to the government House leader that the government was diligently pursuing the answer and that an answer would be forthcoming last year.

I asked the current Parliamentary Secretary to the Government House Leader if progress was made and I would expect an answer soon. He promised to get back to me a couple of weeks ago and I

have heard absolutely nothing. It has been well over half a year since the question was initially asked. It is not a hard question. It is information the department should have at its fingertips. I would really like to have an answer very soon.

Mr. DeVillers: Mr. Speaker, I would be prepared to take the matter up with the parliamentary secretary and get back to the hon. member as early as next week.

GOVERNMENT ORDERS

• (1210)

[English]

EMPLOYMENT INSURANCE ACT

The House resumed consideration of Bill C-12, an act respecting employment insurance in Canada, as reported (with amendment) from the committee; and on Motions No. 10 and 10A.

Mr. Robert D. Nault (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I would like to enter the debate on Group No. 5. It is important to put these amendments in context.

One of the problems we had in committee was with the opposition as it relates to amendments important for the improvement of the bill.

One of the things we asked at the very beginning of the process was that if members of Parliament were serious about wanting to see improvements to the bill, that they were given ample opportunity not only in committee but in discussions individually with members and through the department to have their improvements put forward and vetted through the department. It would do an analysis and come up with recommendations about whether the amendment we are involved with would be appropriate under the circumstances.

The amendment by the member for Mercier is a perfect example of the shenanigans going on in the opposition. Filibustering took place over the number of weeks as we tried as a government to co-operate with the opposition for it to be successful in bringing amendments forward.

Instead of bringing amendments like this to the committee, we get a nonsensical amendment like the one we are debating today. This motion removes from Bill C-12 the whole clause 5, defining insurable employment, thus removing the foundation for EI coverage and premium payments completely.

It also proposes to remove from the UI act all references to penalty or stoppage of benefits for quitting without just cause and being fired for misconduct.

If we were to approve and accept this amendment it would totally put in chaos the unemployment insurance system as we know it today or as we are proposing under the new changes.

Government Orders

I want to make it very clear that we are debating a motion that is intended to filibuster the very important work of the House and waste the time of members. This motion should be completely out of order because it is nonsensical. If a member puts an amendment to a bill forward, at least put one that is reasonable and has some merit. Obviously this one does not.

It does not surprise me. I refer to other statements the member for Mercier made on what the bill does or does not do.

Not long ago in the House the member for Mercier claimed the bill does not promote job creation because it reduces inter-regional subsidization, that it will make the poor regions even poorer. When someone makes comments like that, it suggests somehow there is a diabolical scheme that will hurt the poorer provinces.

I want to put on record today some facts as they relate to that issue to coincide with some of the other amendments the member is proposing to prove to all the people who are listening, particularly in Quebec, how ridiculous this situation has become.

Look at the numbers. This is even before considering the allocation of the \$800 million reinvestment in active measures. This relates to every dollar paid into the program in the years 2001-02. Keep in mind it relates to promoting job creation and the inter-regional subsidization.

• (1215)

In the year 2000-01 for every dollar workers in Prince Edward Island put in they will receive \$2.77 in benefits out of the program. Newfoundlanders will receive \$2.73 for every dollar they put in. Nova Scotians will receive \$1.52 for every dollar they put into the system. New Brunswickers will receive \$1.59 for every dollar they put into the system. In Quebec, the province members are talking about as being so hard done by in this piece of legislation, workers will receive \$1.32 for every dollar they put in.

Keep that in mind because here is a member from Ontario speaking on behalf of his province. In Ontario workers will receive 76 cents for every dollar they put in. As Ontarians, if we are not sharing with the other provinces, the ones I have mentioned, then what are we doing? If we are not distributing wealth, then what exactly are we doing when we look at the facts?

Quite frankly, as a federalist I expect and accept that is what we are doing. That is the way we make the disparities in the regions disappear over time. We do it by helping the have not areas, by lifting them up, by putting them into a position where they can create employment, improve their training apparatus, get involved in giving people a helping hand so they can achieve their goals in those regions.

When the member for Mercier says that we are attacking the poorer regions, it is not true, like so many of the other claims the hon. member has mentioned. I go back to the particular issue of section 5 which she basically wants to remove completely. When we look at that we have to ask ourselves what the rationale is for the opposition and what its motive is for making these very serious allegations that the government is not interested in helping Canadians.

As my colleague from Malpeque has said on a number of occasions, which I want to emphasize in my remarks this afternoon, this is a significant overhaul of the unemployment insurance system in order to put us in a position to help working men and women in the years to come in the country called Canada. In essence this is its first major overhaul in over 25 years. The intent of it is to look at the areas where we believe men and women will be looking for employment in the future, the non-conventional areas.

One of the major components of this bill is to bring part time workers into the EI system for the first time in history. As the House knows, part timers now account for 27 per cent of the workforce. That is a very serious problem which has to be addressed. They are individuals who until once this bill is passed have not been able to collect unemployment insurance. They have not been able to ask for help under the more active measures under part II, the five tools we have advocated under the \$800 million which has been put forward, including the other billions of dollars we have had before. Up to \$2.7 billion will be put toward part II and the tools that will be used to help Canadians get retrained and re-educated.

Then we looked at something else which is very profound, something which shows that this government understands there is a changing environment in the workplace. We have now gone to first hour coverage, from weeks to hours.

In a region like mine, northern Ontario, which is very similar to northern Quebec, many Canadians work in seasonal industries. That is the kind of environment, the kind of country that we live in. Those individuals, especially in the summertime and in the fall, do not work eight hours a day like people do in other industries such as the auto industry in southern Ontario. They work 12 to 16 hours a day.

Under the old system it did not matter if people worked 70 hours a week or 35 hours a week, it only counted for one week. Now under the new system people are not going to be forced to work overtime. It is not called overtime in seasonal industries. It is called making a dollar when the sun shines, working when you can, making sure you make enough money in the period of four to six months to support your family.

Government Orders

• (1220)

For people to suggest that going from weeks to hours is driving people to work overtime, as you and I know, Mr. Speaker, it is obvious they have never visited northern Ontario or northern Quebec or places where people work in the mines, forestry and tourism. They are not in the labour force because they are unionized or non-unionized, they are there because that is where they make their living.

For example, people who work at tourist camps work 16 hours a day, as they do when the tourist camps are open in my region. They start at 7 a.m., sometimes 6 a.m., to get the fishermen out fishing and all the activities going and they work until dark. You know this, Mr. Speaker, because you know northern Ontario very well, that it gets dark around 9 p.m. so people are working from 6 a.m. to 9 p.m. Those are long hours.

Now every single hour that those people work counts. They do not have to work 20 weeks; they may only have to work 10 weeks to qualify for EI. Whereas in the past they did not qualify at all, now they will qualify. If that is not an important structural change for the good of many Canadians, I do not know what is.

What is frustrating me and many members on the government side is that the opposition continues to talk with rhetorical abandon about this bill without talking about the facts.

There are women who have worked part time all their lives. I have a sister-in-law who has two jobs and has never in her life been able to collect UI simply because she always worked less than that 15 hour ceiling. She would work 14 hours at the local grocery store and then another 14 hours or less in the same week at a local restaurant. Under these changes she will now have all the benefits whether they be maternity benefits, sick benefits, or regular UI benefits if she is laid off. That is a dramatic improvement.

I take exception to some of the remarks made by the members opposite that this bill is somehow going to hurt people. We can look at the numbers, and I will speak later about those when we go to a different group. Just look at how many more people in each province are going to be getting into the system versus the argument the opposition is making that this will shrink the system significantly.

As a labour unionist, I am very familiar with what the labour unions are saying. Quite frankly that is why they are so marginalized in this country. They cannot tell their membership something that is not factually correct. They have to tell them the absolute truth, whether they are of one political persuasion or another.

Because members opposite have a particular vision of what Canada should look like at the end of the day, maybe they are coming at it from a different angle. I also take exception to some of

the labour unionists who are saying we are shrinking the system. In fact the numbers show that 52 per cent of people who are unemployed can get unemployment insurance now. With a 2 per cent or 3 per cent increase which is guaranteed in the next number of years we will back not too long from now to where as high as 60 per cent of the people who end up unemployed will be able to get UI benefits. People, the media and the labour movement are saying it is down to 40 per cent and that is not factually correct.

We have never had the opportunity in committee to see what the opposition would really like. We as a government held our hand out to all members. Members on the government side took us up on the offer and told us where they thought there were some weaknesses.

One was in the divisor. We changed the divisor. It cost the government a significant amount of money. We looked at the gap which is a major problem for employees who work in seasonal industries. We changed the gap. It cost the government \$265 million to make that change. If that is not good work in the committee I do not know what is.

My colleague from Toronto worked very hard looking at what would happen to people at the low end of the scale, poorer people. The recommendation came forward from her that we would exempt from the intensity rule people with under \$26,000 of family income. This is a significant change and worth some \$24 million to the poor people who cannot afford to be targeted.

What kind of amendments did we get from the opposition? None. This place must work effectively and the government says it is willing to do business differently than in the past. I was here when the Tories were in power. When we went to committee we could forget it. We were there to obstruct; we were not there to put in amendments because we knew no one would ever take them seriously. However, with this bill amendments were put forward and they were accepted by this government.

I want to reiterate that if the members are going to say things that are factually incorrect we on this side of the House are going to get up time and time again and give the people of Canada the facts. It is unfair. This is a complicated bill. There is no argument about that. A lot of people, even people in the press are saying that the bill is not getting much attention because quite frankly, most people do not understand it.

• (1225)

However, the members who have been on the committee, like myself and the hon. member for Malpeque, have spent lots of time in order to understand the bill thoroughly. We will stand in this place to put the facts on the record. Members like the hon. member for Mercier will not get away with total rhetoric. We expect her to argue the points based on the facts. If they are not there, we will certainly call her on it.

Government Orders

[*Translation*]

Mr. Stéphan Tremblay (Lac-Saint-Jean): Mr. Speaker, since I got into politics, I have become aware of things I never noticed before. For instance, I have noticed to what extremes some people will go to pull the wool over people's eyes. They tell half-truths, until the public realizes in the end that not a word of what they have been told is true.

A reporter in Quebec used to say: "To tell the truth is a challenge, but the real challenge is to tell the whole truth". I have been listening to my colleague opposite who is trying to say that, yes, this bill will be very good for Canada. Also, if we were to believe him, the Bloc Québécois refused to do any work on this bill. Quite the contrary. We took part in consideration of this bill, but what we tried to do was to move amendments to improve the legislation.

It is also important to note that the human resources development committee travelled throughout Canada to listen to what the public had to say about this bill. What did the government do? It turned a deaf ear. It travelled throughout Canada to show how democratic the whole process was, to show that, yes, the public had been consulted and that, yes, the bill is consistent and meets the expectations of Canadians.

When I was appointed to this committee, I was disappointed to see that the government had held consultations, but had it really listened to what was said? Did the committee members travel throughout Canada just for the sake of it? That is the impression I am left with.

I think the problem here is that the public still does not know this bill well enough. When people finally understand, probably in May, when the act will be in effect and its effects will unfortunately have started being felt, when their pay cheques are cut, then the people will take to the streets. In fact, they have already started.

For instance, people in Jonquière and Chicoutimi took part in a 18-kilometre march recently. Do you think they did it for fun? Do you think people demonstrate just for fun or simply to protest? No, like the hon. member opposite said, in a region such as mine, Saguenay—Lac-Saint-Jean, people march because they have to deal with certain realities, with seasonal work. This bill will have a negative impact on seasonal workers. The government would have us believe otherwise. Fascinating.

There is another reality that I would like to mention, the one our young people are living in. The situation is clear enough. I have friends who are still in university and who will be working this summer. We know how hard it is to find a first job, but people are always hoping to find one.

With this bill, which makes it even harder to qualify for UI benefits, we, the young, tell ourselves: "UI is for other people, for

those who were part of the old system". Again, young people are hit in the knees. At least, that is the impression I get.

Another point the hon. member for Mercier mentioned this morning is something unbelievable that people are not well aware of, that is, the issue of double jobs. The hon. member said a little while ago that this bill will precisely benefit those who hold down two jobs. In a sense you always look good telling the truth, but it must be the whole truth.

We know that this reform affects people who have two jobs, and we know full well that it is often young people who have two jobs, who have two McJobs. Those who have two jobs, let us say job A and job B—and I am telling you this because it is important—will have to accumulate a certain number of hours in order to become eligible. I once had two jobs, as a matter of fact, when I went to Alberta to learn English.

• (1230)

I had two jobs at that time and I suddenly realized that it was too much for me, so I quit one. Today, if a person quits one of his two jobs, that person will be penalized in terms of the total number of hours and in terms of benefits. These are things that my colleague opposite has neglected to mention.

Again, I would like it so much if people who are watching us would listen carefully to what I am saying and understand what is really going on. This bill is scary. It takes us back 20 years. What I find unfortunate is that the government still refuses to listen, saying, of course, that the opposition has done nothing to improve this bill. It is very disappointing, but we will see what happens. Time will prove us right.

[*English*]

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, in addressing Bill C-12, I want to emphasize the positive impact this legislation will have on the creation of jobs in the country. The government calculates that the change from unemployment insurance to employment insurance should create between 100,000 and 150,000 new job opportunities.

I would like to take a minute or two to describe how these figures were arrived at. First, the modernization of the system will have an impact. The central change in the EI system is in the way individuals qualify for benefits. Under the old system, an individual had to work a certain number of weeks, called a fixed period, at a minimum of 15 hours per week and had to earn a minimum amount per week in each one of those weeks to qualify. In high unemployment areas the minimum was 12 weeks and in low unemployment areas the minimum was 20 weeks.

Once workers had the minimum number of weeks they could apply for benefits and the benefit was calculated at 55 per cent of the average weekly earnings up to a maximum amount. It was also

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based on an average of the weekly earnings in the last 12 to 20 weeks worked over a 52 week period.

The problem was there was a built in disincentive to take any other work beyond the minimum weeks required to qualify, particularly if the extra work paid anything less than the person was earning in the previous 12 to 20 weeks. Taking any short term job that paid less would cut UI benefits if a claim was made. It would lower the average weekly earnings and, therefore, the benefit cheque would be less.

If a person was laid off after having worked the minimum period at the rate of \$600 per week, why would a person take a short term job for maybe two or three weeks that paid only \$450 per week? Or why would the person search out a part time job or any other work if it meant that in the end he or she would receive lower benefits?

I should also mention the amount of work that goes unreported in the underground economy. Some people who are unemployed and on claims take on informal work on which no premium is paid and no tax collected. This costs other workers in higher premiums and higher taxes. It also distorts the true picture of the amount of work that is actually available.

These are some of the major disincentives to work in the old system. And not just for workers. Many employers also built their hiring and layoff practices around the rigid weeks worked component of the old system rather than basing their decisions on the needs of their marketplace.

Also, in several areas many employers have real difficulty finding people to work because the unemployment insurance benefit payment is higher than the employer can afford to pay.

To eliminate these disincentives the new employment insurance system is based on hours worked, not weeks. Under the new system every hour worked in the last 52 weeks counts in determining entry. Therefore, all work is insurable and all earnings over the last 26 weeks count in calculating benefits.

The disincentive to work for longer periods or to take on jobs that may pay less or to avoid reporting work and earnings will be reduced. To maximize benefit under the new system workers will require two more weeks of work beyond the minimum entrance requirement in each region.

• (1235)

Since part time hours are now insurable, declaring them is to the claimant's advantage. It is especially advantageous for people with multiple jobs to declare earnings from each of them. Under the new system individuals can now count back 26 weeks to find the required hours of work when calculating average earnings for

benefit purposes. The average is then divided by what is called the divisor which as a minimum is two weeks plus the minimum number of weeks required in an individual's region. That figure is now lower in high unemployment areas and higher in lower unemployment areas compared to Bill C-12. The two weeks are added to ensure that there is a continuing incentive for people to work the full period if work is available but at the same time to ensure that it is not overly harsh on those who have limited work opportunities.

Another modernization feature of the new system which helps to create jobs is that people on benefits will be able to earn up to \$50 per week, or 25 per cent of their benefit, whichever is higher, without paying a penalty.

Other features which encourage work are, one, the intensity rule, whereby repeat claimants receive slightly lower benefits and, two, higher hours for eligibility for new entrants and those who have been out of the workforce force for several years.

All of these measures add up to about 150,000 more jobs. In addition, employment offices will have a greatly enhanced ability to link up people looking for work with job opportunities. Up to two million Canadians a year use information and advisory services available through the national employment service in the job search. A new computerized job matching system is now in place. It is called the electronic labour exchange. Located on the Internet, it matches jobs to people and people to jobs faster than any traditional method.

People looking for work are also going to have access to a great deal more information on the qualifications required for different jobs, as well as things like group information sessions, job search clubs and other initiatives which will help them get back into the workforce.

For example, in my riding of Oakville—Milton we have had the job search club for a year or so and we now have the statistics reported back as to the success rate. It is 80 percent. That is, 80 per cent who attended the job search club have now found work.

There will also be appropriate counselling for people who need help finding work. People will get the kind of direct help they need to locate employment.

A second change which is going to help create more jobs is the reduction in premiums and the reduction in the maximum allowable earnings. The combination of these two measures means that both employees and employers are going to save a considerable amount of money. For employers who have complained that payroll taxes hinder job creation, a modest reduction means that they will have money to invest in hiring more people. These

changes will reduce premiums by \$1.25 billion in 1996 and are predicted to create up to 20,000 new job opportunities.

The third area of change which is going to create more jobs is the new active employment benefits. The government intends to work in concert with the provinces to help get people back to work. That means harmonizing the new employment benefits with provincial programs and making new delivery arrangements which could see provincial governments delivering federal programs. A series of federal-provincial agreements will be negotiated to work out the options.

In reducing overlap and duplication, the government will be building a more efficient system that will provide better and more thorough support to unemployed Canadians. While the approaches may vary from province to province, the primary focus is on getting results, that is more people back into the workforce.

The government is open to discussions on how best this can be put into place. It will be investing some \$800 million of the savings that will be achieved with this legislation into active employment benefits. With the current \$1.9 billion already budgeted for employment services this means now a total of \$2.7 billion to actively help unemployed people get back to work.

Upwards of 400,000 unemployed workers every year will qualify for a very flexible and innovative series of re-employment measures.

• (1240)

Instead of getting off the shelf programs, people looking for work will be getting the kind of direct, personalized support tailored to get them into a job as quickly as possible. These methods have been tested and proven. We know they work because we have seen the results.

Wage subsidies, for example, will encourage hiring and provide on the job experience. A claimant could arrange for a wage subsidy with a selected employer who will provide a job that will lead to long term employment or re-employment somewhere else. The wage subsidy will help thousands of people move into the workforce.

For many people, getting off social assistance and unemployment benefits can be daunting, particularly when getting a job could mean a less secure income. There are also older workers facing the switch to a new industry and finding difficulty adjusting to it. That is why there will also be wage supplements to temporarily increase income for those who would otherwise find it difficult to take a lower paying job.

People with the initiative and drive to start up their own businesses will be eligible for self-employment assistance. In most cases these new businesses employ the person starting up the business as well as one or two new employees.

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Skills loans and grants will be available for people who need to upgrade their employment qualifications. These will only be run in provinces which agree to have federal involvement. A series of community job partnerships will be undertaken to directly help people find work and experience while serving in their own communities.

All these new measures will be in effect nationwide. As the components of the new EI system begin to serve workers across the country, the enthusiasm for the new program will grow.

[*Translation*]

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, last week I rose in this House to appeal to my colleagues across the way. I told them we had brought out almost all the reasonable arguments that human reason could understand, and it seems that they still do not understand.

I appealed to their hearts by telling them that workers in Canada and in Quebec want to work, that they are proud people who want to produce, but unfortunately they are not being given the chance. The motion proposes that someone who leaves his job voluntarily would be doubly penalized. This is a disgrace.

It is very surprising to see these people, who were calling for exactly the opposite when they formed the opposition—I do not know on what planet or cloud they are living—today calling for measures that are truly insulting to the workers of Canada and Quebec.

As proof, I offer what took place yesterday. A group of about a hundred people set out from my riding of Matapédia—Matane in the Gaspé Peninsula. These were people who are truly not rich. One of them told me he had had to sell his house, things were so bad.

These people, who represented 35,000 others, came to the Hill to meet with the Prime Minister. They remembered that when he was in opposition—he was then reasonable, I would say—he wrote certain letters. So they said: “At least, he will come and see us”.

• (1245)

I was at the Langevin Building with them. Three people were asked to negotiate, if you will, a meeting with Mr. Chrétien. It appeared to be a huge favour to come and meet people from back home, who were representing 35,000 people.

So three people from our region went to the office of Mr. Pelletier. They came back saying: “Mr. Chrétien is meeting very important people today—”

The Deputy Speaker: Am I right in understanding that the hon. member is quoting a letter or something that mentions the Prime Minister's name? Because, if it is not a quote, he must not use the Prime Minister's name, but rather refer to him as the Prime Minister, as the hon. member knows.

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Mr. Canuel: Very well, Mr. Speaker. I stand corrected.

These folks came to meet him. At that point, they were rudely told: "You are not important". People had the indecency to tell them: "You do not count". They were treated in a discourteous, ill-mannered and disrespectful way.

These people from back home said some things I would not repeat in this House, although they are very polite. They said: "Please tell your colleagues across the way that they have no manners". The people from the Gaspé and from Matapédia—Matane call it poor manners when, after having travelled on the bus for 17 hours to meet Canada's first citizen, they get the brush off because, unfortunately, he does not particularly feel the need to exert himself since he will not necessarily find himself unemployed tomorrow. He will lose the next elections, but he will not necessarily be unemployed, because he has good connections. But the people where I come from rarely have connections.

In addition to 17 hours on the road from the Gaspé via my riding, they put in another 18 on the return trip to make a total of 35 hours on the road—a solid work week. All that to come and see the Prime Minister, who did not even condescend to meet them.

Since they could not see the Prime Minister, they thought they would ask to see Mr. Martin. Mr. Martin was not willing either.

The first request they addressed to the Minister of Human Resources Development was refused with the words: "It is a very important issue, but when people want to see me they have to ask me a week in advance". People from back home are not used to doing that. Although they are very polite, they are not used to all this red tape, because they themselves earn a living by the sweat of their brows. They work day and night. There may be a few things they do not know, but they do know certain things. They know how to be polite; they know when one can or cannot be received.

We asked the people from back home to be extremely polite. To which they replied: "No problem. We are always polite. We know all about politeness". There are, however, other people across the way, including the Prime Minister, who do not know about it.

I am speaking on their behalf today. These people have been deeply hurt. I wish to thank my colleagues from Mercier, Lévis and Kamouraska—Rivière-du-Loup for their hard work. They went all the way. But the people from back home are also patient. Even though they are both polite and patient, they said: "If the Prime Minister does not want to meet with us, what can we do? If the Minister of Finance does not want to meet with us, what is left for us to do?"

• (1250)

The Minister of Human Resources Development finally said: "Yes, I could perhaps meet with you". So the people said: "Look, we have been waiting for two hours. We still have a 18-hour trip back home to the Gaspé region". Our leader met with them and told them: "This is what the Bloc has done, what we wanted to do". We tried in every possible way—by appealing to their minds and their hearts—to make those people understand all this, but they refuse to understand.

Some people from my riding talked to me, including the mayor of Saint-Luc, who was representing a number of regional county municipalities. She said to me: "What more can we do? Will other action have to be taken, like tabling petitions? You have given 120 per cent, but they just will not listen".

The same people told me: "We are calm, understanding people. But to want to use this insurance money that we have been paying for and that employers have been paying for to reduce the deficit, that we will never understand. We will never stand for it; it is just too cruel". It is cruel, but not only for these people, who, on an individual basis, could probably wait a tad longer.

In my community, often, in fairly large families, one spouse works away from home, while the other works, perhaps even harder, at home. In such cases, the family income is never very high, which means that the whole family is affected. Yesterday, a young couple told me: "If we did not have four kids, it would not be so bad, we could remain calm a while longer, but we do not think we will be able to any longer".

I would like my hon. colleagues opposite to understand. There must be people who are having difficulties, people on unemployment in their ridings as well. I call upon my colleagues opposite and all members of this House to go out and talk to these people. I am sorry to have to put it this way, but people out there are disgusted. When I saw them off at the bus, they told me: "We have had it". And when they say they have had it, they mean they have had it up to here.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The next question is on Motion No. 10A. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

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Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

[English]

A recorded division on the motion stands deferred.

We are now on Group No. 6.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP) moved:

Motion No. 17

That Bill C-12 be amended by deleting Clause 12.

Motion No. 20

That Bill C-12 be amended by deleting Clause 14.

Motion No. 24

That Bill C-12 be amended by deleting Clause 15.

Motion No. 35

That Bill C-12 be amended by deleting Clause 25.

Motion No. 72

That Bill C-12 be amended by deleting Clause 61.

Mrs. Jan Brown (Calgary Southeast, Ref.) moved:

Motion No. 18

That Bill C-12, in Clause 12, be amended by

(a) replacing lines 10 to 18, on page 20, with the following:

“(3) The maximum number of weeks for which benefits may be paid in a benefit period is 15

(a) because of pregnancy;

(b) because the claimant is caring for one or more new-born children of the claimant or one or more children placed with the claimant for the purpose of adoption; and”;

(b) replacing lines 21 to 33 on page 20, with the following:

“(4) The maximum number of weeks for which benefits may be paid for a single pregnancy or for the care of one or more new-born or adopted children as a result of a single pregnancy or placement is 15.

(5) In a claimant's benefit period, the”;

(c) replacing line 39, on page 20, with the following:

“(a) to more than 15 weeks of benefits, the”;

(d) replacing line 5, on page 21, with the following:

“up to 15 or fewer weeks of benefits, the”;

(e) replacing lines 12 to 26, on page 21, with the following:

“ceed 30.

(6) For the purposes of this section, the”.

Motion No. 73

That Bill C-12, in Clause 61, be amended by replacing lines 32 to 36, on page 59, with the following:

“(2) The Commission shall not provide any financial assistance in a province in support of employment benefits mentioned in paragraph 59(e) or support

measures under this Part without the agreement of the government of the province.”

Motion No. 171

That Bill C-12 be amended by adding after line 34, on page 125, the following new Clause:

“152.1(1) The Governor in Council may, by order, amend the maximum number of weeks for which benefits may be paid in a benefit period under subsection 12(3).

(2) The maximum number of weeks for which benefits may be paid shall be the same in the case of pregnancy as in a case where the claimant is caring for one or more new-born children of the claimant or one or more children placed with the claimant for the purpose of adoption.”

Motion No. 189

That Bill C-12 be amended by adding after line 25, on page 131, the following new Clause:

“167.1 Notwithstanding any section of this Act, the Governor in Council shall, no later than January 1, 1998, amend, by order, those provisions of this Act that, in its opinion, require amendment in order to eliminate the concept of “number of hours of insurable employment” and to replace it with the concept of “number of weeks of insurable employment”.”

Hon. Douglas Young (Minister of Human Resources Development, Lib.) moved:

Motion No. 21

That Bill C-12, in Clause 14, be amended by replacing lines 10 to 26 on page 22 with the following:

“tion period divided by the larger of the following divisors:

(a) the divisor that equals the number of weeks during the rate calculation period in which the claimant had insurable earnings, and

(b) the divisor determined in accordance with the following table by reference to the applicable regional rate of unemployment:

TABLE

Regional Rate of Unemployment	Divisor
not more than 6%	22
more than 6% but not more than 7%	21
more than 7% but not more than 8%	20
more than 8% but not more than 9%	19
more than 9% but not more than 10%	18
more than 10% but not more than 11%	17
more than 11% but not more than 12%	16
more than 12% but not more than 13%	15
more than 13%	14

Motion No. 22

That Bill C-12, in Clause 14, be amended

(a) by replacing lines 2 to 6 on page 23 with the following:

“of not more than 26 consecutive weeks in the claimant's qualifying period ending with the later of

(a) the week

(i) before the claimant's benefit period begins, if it begins on the Sunday of the week in which the claimant's last interruption of earnings occurs, or

(ii) in which the claimant's last interruption of earnings occurs, if their benefit period begins on the Sunday of a week that is after the week in which the claimant's last interruption of earnings occurs, and”;

(b) by adding after line 10 on page 23, the following:

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“A prescribed week relating to employment in the labour force shall not be taken into account when determining what weeks are within the rate calculation period.

(4.1) The rate calculation period is 26 weeks, unless the claimant's qualifying period begins on a Sunday that is less than 26 weeks before the Sunday of the week in which the rate calculation period ends under subsection (4), in which case it is the number of weeks between those Sundays.”

Motion No. 25

That Bill C-12, in Clause 15, be amended by adding after line 27, on page 24, the following:

“(1.1) No reduction shall be made under subsection (1) if the claimant is entitled to a family supplement under section 16.”

Motion No. 36

That Bill C-12, in Clause 25, be amended by replacing lines 15 to 21 on page 31 with the following:

“(b) participating in any other employment activity

(i) for which assistance has been provided for the claimant under prescribed employment benefits or benefits that are the subject of an agreement under section 63 and are similar to the prescribed employment benefits; and

(ii) to which the Commission, or an authority that the Commission designates, has referred the claimant.”

Motion No. 173

That Bill C-12 be amended by adding after line 16, on page 127, the following new Clause:

“PART VIII.1

SPECIAL BENEFITS FOR NEW ENTRANTS AND RE-ENTRANTS TO THE LABOUR FORCE

153.1 (1) Notwithstanding anything in this Act, the Commission shall, with the approval of the Governor in Council, make such regulations as it deems necessary respecting the establishment and operation of a scheme to ensure that special benefits are provided to persons who are new entrants or re-entrants to the labour force within the meaning of subsection 7(4), including regulations

(a) for establishing requirements to qualify to receive the benefits, the duration of entitlement to the benefits, benefit rates, disentitlement and disqualification from receiving the benefits and benefit repayment requirements; and

(b) varying the application of any other provision of this Act in relation to persons who have made claims under this Part and who subsequently make claims under Part I or VIII.

(2) The scheme established by the regulations may, with respect to any matter, be different from the provisions of this Act relating to that matter.

(3) The scheme established by the regulations may not provide special benefits to persons who

(a) have less than 700 hours of insurable employment in their qualifying period; or

(b) are subject to an increase under section 7.1 in the number of hours of insurable employment required to qualify for benefits.”

Mr. Wayne Easter (Malpeque, Lib.) moved:

Motion No. 23

That Bill C-12, in Clause 14, be amended by deleting lines 11 to 45, on page 23, and lines 1 to 13, on page 24.

Mr. Nault: Mr. Speaker, on a point of order. We have a member who is ready to speak. The Bloc just finished so I would assume it is our turn to start. Which motion is leading off?

• (1255)

The Deputy Speaker: The parliamentary secretary is absolutely correct.

Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.): Mr. Speaker, thank you for the opportunity to speak on Bill C-12 today, a bill that will help Canadians help themselves.

I did not have the opportunity to speak on the previous motion put forward by the hon. member for Mercier, but I am sure the hon. member will be very glad, thinking back, when the motion is defeated. I expect her premier would be very annoyed. What would the motion do for anyone in the country?

The recent budget of our neighbouring province was designed to help people and businesses. The motion would have cost our neighbouring province of Quebec hundreds of millions of dollars for businesses. It would have put us behind the eight ball, not counting the rest of the country.

I heard great news in question period today. Exports are up by tens of billions of dollars. The Minister for International Trade shared with us that for every \$1 billion in exports, 11,000 jobs are created, which is good news. It is what we need to hear. I see confidence being restored in communities across the country. Following this, investments are made.

My riding of Hastings—Frontenac—Lennox and Addington is situated between Kingston and Belleville, Ontario. In the last 12 months \$1 billion has been invested. This is good news for our youth. Yet we share great concerns about our youth and future of the country.

Where does the employment insurance bill leave youth? A major objective of employment insurance is to provide equal coverage to all workers, ensuring all hours of work are recognized. This is increasingly important in a world where more and more individuals have non-standard work patterns. Not only is the number of people who work part time increasing, but the number of individuals who earn a living through a number of small jobs is increasing.

The new EI system will have minimal impact on the net income of young people but includes very important benefits for all part time workers which includes young people. The new EI system will reduce benefits by 8 per cent for youth under 25 years of age, versus 11 per cent for all Canadians, and we must consider investments made in communities.

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The previous speaker said no doubt we have problems and challenges with UI in our own ridings. We do. People come into our offices every day. The bill will help these people. The tools will be available for people who need them.

Given the labour market characteristics of youth, various elements of the reform will impact differently on young Canadians than on other age groups. More stringent EI entrance requirements will affect young workers, which will prevent the development of dependency on insurance benefits early in their working lives and will encourage higher levels of employment. With youth as with other people, we can do more when we offer a hand up rather than a handout.

The hours based entrance requirement and first dollar coverage will ensure every hour of work will contribute toward a claimant's eligibility. Today four out of ten part time workers are less than 25 years old. The EI system will provide income protection for more young people if they work enough hours.

Young people working less than 15 hours a week, mainly students, will be required to pay premiums for the first time under the EI system. The amount will be less than \$3 a week for someone who works 14 hours at \$7 an hour. There are advantages to this type of system. Insuring everyone who works, including working students, helps to ensure a level playing field in terms of premium payments and access to jobs.

Making work by students insurable will give recognition to this labour market attachment once individuals enter the labour market on a permanent basis. After completing their formal studies, if they have sufficient work, attachment in their last year as students, for example 490 hours, they would not have to meet the more stringent 910 hours entrance requirement if they faced difficulty finding stable employment.

• (1300)

Premiums will be refunded to approximately 625,000 young people under the premium refund program for individuals with earnings of \$2,000 or less in any calendar year. This represents 48 per cent of all individuals who will receive the refund. As well, 400,000 or 31 per cent of those receiving the refund are full time students. That represents about 40 per cent of all full time students.

It is recognized that under the first dollar coverage some employers who primarily employ part time workers will be required to pay more premiums. That is why it is being proposed that a two-year premium relief measure be put in place to offset some of the cost of the first dollar coverage for small business. As well, 300,000 small businesses will benefit from this measure.

The youth unemployment rate is 16 per cent. It is a shameful number. It is over one and a half times the national average. Many young people attend school and depend on summer and/or year

round work to finance their education, as well as to obtain critical job experience.

The government recognizes the particularly difficult situation facing youth and students. A number of initiatives have been announced to address these serious concerns. Youth will benefit from EI's active employment measures. Several of EI's employment tools will help unemployed young people get back to work. Targeted wage subsidies will help young people get the work experience they need to round out their résumés and to qualify for jobs. Job creation partnerships will bring government and community organizations together to give unemployed young people and others the opportunities they need to develop new, job ready skills.

Youth will remain as a top priority for federal government programs funded from general revenues. In the 1996 budget, the government announced the reallocation of \$315 million of budget savings to help create employment opportunities for young Canadians over the next three years. Funding for federal summer job placements will be doubled to \$120 million in 1996-97. Most of the remaining funds are being directed to assist young people who have left school to find employment opportunities. It will be in addition to existing funding of \$160 million annually for youth internship and youth service Canada.

Many of these initiatives will be targeted to those with lower levels of education. They will also focus on providing employment opportunities in new and emerging sectors.

Ontario is a diverse province. There is very high unemployment in northern Ontario. In my own riding along the south shores of Lake Ontario where \$1 billion is invested there is a lower rate of unemployment. In the north part of my riding it is a much higher rate. Different parts of the province will have different entry levels for EI so we can treat the people fairly according to their area.

Employment insurance will get unemployed workers back into jobs more quickly than before. Again, workers will be encouraged to help themselves.

Ontario has had to deal with major adjustments to the emerging high tech economy. Many workers lost well-paying factory and office jobs and found themselves ill-equipped to move into new jobs with comparable wages. As a result, more Ontarians have faced longer periods of unemployment. More targeted, proactive re-employment measures will assist the workers to find and maintain employment and deal with this type of structural unemployment.

Employment insurance means a workforce better prepared to meet the challenges of the rapidly changing job market in Ontario. The national employment service will offer higher quality job market information, on-line job matching services and customized employment services. Helping Ontario get back to work more

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quickly means more competitive industries in Canada's economic heartland.

I have heard people talk about these job kiosks and that they can be a positive or a negative according to where they are. My riding of Hastings—Frontenac—Lennox and Addington has more than 5,000 miles of main road. The riding reaches from Lake Ontario to Algonquin Park. There cannot be an HRD office in all of these towns, yet throughout the riding there are job kiosks. This will save people driving 50 miles to find out what is available. Statistics prove that when people are encouraged to help themselves find work, they find work.

• (1305)

I recently stopped at North Brook, Ontario. Even I could run the kiosk. I could punch the keys and bring up the jobs. If I could do it, I am sure anybody can run that computer. Often there are jobs listed. It is good for the people in local areas to find out what is available.

The different parts of the EI legislation have to be addressed. We will have to watch to see that it does what we want it to do. The new system will be monitored. Across the country, we will be watching to see what happens. We want to help people because people are the most important part of our economy.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, I respect the hon. member, with whom I have been working for over two years, but I respectfully submit that he is deluding himself.

Let us not kid ourselves. This bill will result in the loss of student jobs. Members of the Association des restaurateurs made it very clear when they came to my office. The government did not even deem appropriate to exempt students from having to pay contributions, at least those interested.

Students already face all kinds of cost increases. Now, they will have to pay UI premiums and will only be repaid the following year, when they file their income tax returns. My fellow Bloc members will get back to this issue.

This group includes the famous amendments to the first bill, which was so unacceptable that the government had to make changes as a result of the public outcry. At this point, I have something to tell members who keep saying that the opposition did not do its job because it did not move any amendments. Parliamentary procedure is such that a royal recommendation is required in order to make amendments affecting expenditures or revenues, whether in committee or in the House. So, do not tell us that we did not do our homework.

I also want to say that, in 1993, Liberal members were thoroughly upset and demanded that the legislation be withdrawn. So, if your memory is failing, try at least to remember as far back as 1993.

Let us take a look at the substance of these amendments, which are supposed to be beneficial not only for seasonal workers, but for all those who do not have stable jobs, jobs lasting the whole year. This includes those who work part time, who have odd jobs, who have contracts for a specific period, or who hold down one or two jobs.

You will remember that the government had imposed a time period. This measure was obviously so bad that there was strong public protest, which resulted in a number of amendments being proposed. However, we have to be honest here. Instead of solving the problem of the majority, the legislation before us will facilitate things for some.

A huge economic and social problem remains for most people. Why? Because the government continues to propose that earnings will be calculated over a period of only 26 weeks, out of 52. Worse still, the last version of the bill provides for a difference of two additional weeks in the length of unemployment period accepted, but it also provides that any week during which wages are earned will be included.

• (1310)

This means that this will create an inflexibility not yet found in the provinces, in the regions where there is a lot of seasonal employment. This means that, from a strictly economic point of view—I am not even talking about individuals—people will only take work that gives them the weeks, the divisor they need. They will not want to work short weeks, because short weeks would decrease their earnings, and people are not crazy.

What it means is that employers and workers will continue to act in an intelligent manner, in other words, they will work out agreements. And they will do this, however much you increase the penalties. You are upping the penalties, both in money and in time required for eligibility.

You are in the process of creating a mindless mishmash. It makes no sense. You talk about flexibility, but you create rigid conditions and put people in the terrible situation of having to accept zero earnings or place themselves in the position of being found guilty of fraud and other awful things.

We were told in committee that, with the amendments, workers would continue to accumulate hours in order to have decent weeks.

Essentially, this amendment does not resolve anything. Employers who want to have employees will have to agree with them so that a work week makes sense. This will continue to create rigidity and, worse, many people who were able to qualify will not be able

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to do so any more, because the 26 weeks are not always sufficient. That is true for people who work in the tourism sector, and not only in the regions.

Indeed, there are many people in Montreal, Quebec, Vancouver and Victoria who are trying to get by and who can find term employment at the beginning of the year. If they do not qualify, they live from hand to mouth with their mother, their buddy or their girlfriend and then go look for another job. This provision does not make any sense.

The government should understand there is no rush to introduce this reform that will mean a reduction in premiums of \$1 billion for this year. What is the rush to reduce insurable maximum earnings? What is the rush to reduce benefits from a maximum of \$445 to \$413 and to further reduce to \$140 or \$120 benefits for people who barely get by with \$200 per week? What is the rush?

In the maritimes, the 1994 reform and the one presently on the table will mean \$800 million less every year. Every year. Do not tell me the \$300 million over three years will make up or compensate for that. That does not make any sense. This is not a policy that makes sense on the economic or the social level. I see many members smiling. People from the Gaspé Peninsula who came yesterday had despair written on their faces, and that is not funny.

For many years, these people have been living in difficult conditions and having a hard time. They live through difficult and sometimes extreme climate conditions and, for many years, they have been accused of cheating, of milking the system; they cannot take it any more. So, when proposals such as these are made, they say they have had it up to here; they cannot take it any more.

I wished their colourful accent alone would be sufficient to send us back to the drawing board. There is no rush to make a whole bunch of insecure by taking away from them the only pittance they can still count on, when it is feasible and possible.

I am far from talking only for Quebec. I have talked many times for Canadians as a whole.

• (1315)

[*English*]

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, it is with some regret that I do not have the time in this grouping to do an analysis of the member's remarks.

Most of us here know there needs to be a critical analysis done on those remarks. It really surprises me to hear the comments of the hon. member for Mercier on basically supporting restaurant owners who clearly do not want the current hour system in place because they like that 15 hour trap.

As the member said and the restaurant owners are suggesting, students should be provided with an exemption for EI premiums because they will not qualify for benefits. Some students can qualify for EI. Those who lose a part time job may qualify if available for work during the same hours as before.

Members opposite have complained about the entrance requirements. Work as a student can help someone meet new entry requirements when they enter the labour market on a permanent basis. Four hundred thousand full time students making \$2,000 a year or less annually would have all premiums refunded. This represents about 40 per cent of full time students with earnings.

The government is working in other ways to help create employment opportunities for youth, in part through the \$315 million announced in the budget.

In this group of amendments in the course of my remarks I want to give the members opposite a challenge to support more openness and more decision making by MPs in government.

As the member for Malpeque I have an amendment at this stage to improve the bill. Motion No. 23, if carried, will ensure that members of Parliament will be given greater control over future changes in the EI act. That is what democracy is all about. Members of Parliament can be involved more in the decision making process.

The bill in clause 14(5) reads: "For the purpose of achieving a uniformed divisor of 22 in subsection (2), the minister may, with the approval of the governor in council, by regulation amend the table in that subsection by increasing to a maximum of 22". Subsections (6) to (12) give the rules of procedure in terms of how that would be done.

My rationale for deleting those clauses of the bill are this. Under the current legislation the minister would bring forward an increase to the divisor on the basis of a report to the minister, not Parliament, which satisfies the minister, not Parliament, that individuals, communities and the economy have adequately adjusted to the changes contained in the act to the insurance and employment assistance programs and to the effectiveness of the employment benefits and support measures contained in the act.

The terms and conditions of the report and the process by which is provided to Parliament are outlined in clause 3 of Bill C-12. However, in terms of examining clause 14, as written, there is no provision made that the minister must await a report from the appropriate parliamentary committee before the minister can bring forward the regulations increasing the divisor.

I always worry about what the minister may or may not do. Increasingly the public is concerned about government by executive council rather than by the people's representatives. By deleting this section we ensure any changes relative to the divisor will be

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made after appropriate discussion and legislative change in the House.

• (1320)

I agree with the concerns of the public of executive government and that decisions of the magnitude of increasing the divisor should be made only after serious debate by representatives of all parties in the House of Commons.

There is no question there are some out there who are using that section of the act against us right now. There are some who are saying these are great amendments put forward, known as the Scott, Regan and Augustine amendments, but really they are saying these are just smoke and mirrors because after 1998 "the minister may".

What this amendment will do is to ensure that those amendments made by my colleagues in the Liberal Party will remain intact. If further changes are to be made, they will be debated in the House prior to any such changes being made. The public will have a chance to have input.

There are other good reasons for this amendment. I am sure the members opposite will enjoy this. On page 91 of the red book there is the following statement:

The most important asset of government is the confidence it enjoys of the citizens to whom it is accountable.

The people are irritated with governments that do not consult them, or that disregard their views, or that try to conduct key parts of the public business beyond closed doors.

This amendment ensures we meet that red book commitment and that debates are held in this place prior to important decisions being made.

What will be required of the minister is that without the sections currently in the bill the minister will have to table in the House the appropriate legislation to increase the divisor. As a result of this bill to increase the divisor will receive first and second reading, committee examination, report stage and third reading, as all legislation currently does.

As a result members of Parliament will have an opportunity of debating and, if required, amending the legislation on future divisors. The report provided to the minister under clause 3 will then have a key role to reform in providing the government and members with the justification for any future changes to the divisor.

Most important, Canadians who will be directly affected by any changes in the future will have the opportunity of submitting their views to their MPs in a parliamentary committee.

Taking power out of regulation, out of the bureaucracy and putting it into the hands of parliamentarians and the people they

represent is improving democracy and improving openness in government.

I expect members opposite as well would see the amendment as worthy of their support. This is a real opportunity for members opposite to support openness in government and I call on them to support this very important amendment.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I listened with great interest to my colleagues across the floor speaking in support of this legislation. It amuses me, to say the least.

We find these reforms supposedly made to the unemployment insurance act are really cosmetic changes that in essence centralize rather than decentralize.

This whole reform to the unemployment insurance program will not help create any jobs. It will probably be instrumental in bringing job loss to the part time workforce.

I would like to speak to the government's promise in the budget speech that it would not raise any taxes. I find that quite funny because here we have it adding a 7 per cent payroll tax through a change in the unemployment insurance program. This 7 per cent payroll tax will affect part time workers, the young people who are trying to enter the workforce in part time employment while they are going to school, many of whom are trying to help finance their education.

• (1325)

This will be a great loss to them. It will also be a loss to part time workers who happen to be mothers trying to get some work experience to get back into the workforce when their children are old enough to go to school.

For these young people and moms who work part time this change in the unemployment insurance act will reduce the number of jobs available to them. It will add a tax burden to the employers as well as to these part time workers. I find it a bit hypocritical that the government said in the budget it would not bring in any new taxes but then brings them in under program changes.

This 7 per cent payroll tax is likely to affect about 2.23 million jobs. That is not a small number. It is a substantial number of first time jobs and part time jobs which will be affected by the legislation. Our party is very concerned about that.

Our party is also very concerned about the lack of changes to maternity benefits. Presently there are two benefits, a maternity benefit for natural parents and a parental benefit for both natural and adoptive parents. Under the present system a natural parent may be eligible for both benefits up to 30 weeks, whereas an adoptive parent is eligible only for a minimum of 15 weeks.

The Reform amendments to the legislation repeal both of these benefits and introduce one new child care benefit for which all

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parents, natural or adoptive, may apply. This benefit is for a duration of a maximum of 15 weeks.

We have heard adoptive parents tell us they feel very discriminated against under the present legislation because they are eligible for only 15 weeks where natural parents are eligible for 30 weeks. We in the Reform Party believe there should not be any discrimination in government legislation. Therefore we would like to see this discrimination removed.

The Reform child care benefit would eliminate any inequities or discrimination between these different types of parents. It would avoid making any value judgments as to whether natural or adoptive parents are more deserving of certain types of leave, longer leave, et cetera. Instead they would all be eligible for the same period of benefits, 15 weeks.

These changes to the Unemployment Insurance Act are positive moves and something which should be supported by government members.

We also find great difficulty in a promise by the government during the referendum debate of last fall when it promised it would transfer manpower training to the province. Under this legislation it is reneging on that promise and keeping control of manpower training at the federal level. The government has failed to meet this promise and that changes should be made to bring the dollars for manpower training under the jurisdiction and control of the provinces.

The Reform Party believes that although there are changes which need to be made to the unemployment insurance programs, the government has fallen far short of meeting some of the great needs the country faces. We do not feel its changes have done anything but add more dollars to the coffers for the federal government to spend recklessly.

It is undermining job creation. It is undermining young people in their attempts to enter the workforce. By not addressing discrimination of parental benefits and maternity in the legislation it is certainly continuing the discriminatory practice.

I urge government members to consider the amendments placed before the House by the Reform Party and give them due consideration to improve the legislation they have put before the House.

• (1330)

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I wish to thank the hon. member for Fredericton—York—Sunbury and say that I also observe the rules that members must speak in turn.

I heard the comments made by the Reform member. I share many of her views, especially about the broken promise concerning

provincial repatriation of manpower training. But I am more critical of the hon. member for Malpeque who, once again, decided to correct the facts given by the hon. member for Mercier. I think he got his figures all wrong when he said that the government announced a \$315 million allocation for young people.

As the critic for youth and training up to last month, I can say that, according to the press release issued by the Minister of Human Resources Development, the amount was rather \$160 million. I will not make an issue of it, but it is very important.

I do commend the hon. member for one thing: his amendment should limit the power of the Minister of Human Resources Development by forcing him to report to the House. I recognize that as a good point. At the same time, this suggests a certain degree of mistrust in the overly centralized power of ministers of Human Resources Development, present and future.

The hon. member referred once again to the red book, when he talked about transferring powers from bureaucrats to committees and to the House. He should not have mentioned that, since we were gagged in committee. For only the second time in this Parliament and the first time since Confederation, a committee got gagged by the House.

Mr. Easter: It was a filibuster.

Mr. Dubé: There have been lots of filibusters on other occasions, but for the first time since Confederation and the second time in this Parliament, the government has curtailed the proceedings of a committee. So much for that promise. The hon. member for Malpeque was a member of that committee. He says that they will hold more consultations and that they will avoid holding consultations behind closed doors.

I would remind the hon. member for Malpeque that we proposed that consultations on the Unemployment Insurance Act be held in the field, but the Liberal majority refused, preferring to hold them in Ottawa. However, they agreed to hear witnesses, but through video conference, not in the field. We asked the Liberal members if it was possible to hear several groups at a time through video conference. They said: "No, only one group at a time, and only two people". They do not want them to be in a room where people could hear and see, even though in the Gaspé peninsula and in many other areas people do not have access to the TV channel broadcasting committee proceedings.

In spite of that objection, they said no and they curtailed debate. Was that the red book promise, to start holding consultations and then ask the House to first gag the committee, and second to limit debate at report stage and allow only one day of debate on third reading? We have to remember that second reading was skipped because we supposedly had had a pre-study in committee.

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I would rather judge people after what they do and not after what they say or even what they write. The red book was prepared three years ago, and it is only this year that things get done.

In previous comments, I spoke about the unemployment rate. I have here a Canadian Press report published by the daily *La Presse*. Here is what it says: "The unemployment rate is underestimated, Scotia says. A study by the Bank of Nova Scotia says that the real unemployment rate in Canada is higher than the official monthly figures. Two economists at the bank have estimated that the real unemployment rate in March was not the 9.3 per cent reported by Statistics Canada, but 13 per cent. The study offers a depressing view of an economy unable to generate enough jobs to keep up with the number of people capable of working".

• (1335)

It goes on to say: "—the number of employed people has grown at only one-third the pace of people old enough to work during the 1990s. Officially, the unemployment rate has dropped from 11.9 per cent in 1992 to 9.3 per cent in March".

The study says that some people are now being left out of statistics. This is a serious study by the Bank of Nova Scotia.

Since we are dealing with figures, let me point out another thing, that is the unemployment insurance fund surplus. When the government took office in 1993, the deficit for that year was of \$1.208 billion. The following year, that is the first full year the government was in power, there were cuts—Bill C-17 was enacted and its effects are still being felt—and there was a \$2.283 billion surplus.

The preliminary data for 1995 show a \$4.313 billion surplus. Because of the measures the government is expected to take, the surplus should reach \$4.805 billion and we know it will go up to \$5 billion. As the hon. member for Mercier said, in a surplus situation, why was the government in such a hurry to go ahead with this initiative? Also, this year, we are forgoing something like a billion dollar in premiums. Why? What was the hurry?

According to the government's own documents, the repercussions in each of the provinces are as follows: for 1997-98, we have 13 per cent less: \$43 million for Newfoundland; for PEI, the province of the hon. member for Malpeque, it is 10 per cent less, \$15 million; for Nova Scotia, 8 per cent less; for New Brunswick, \$65 million, 11 per cent less; for Quebec, \$400 million, 8 per cent less; for Ontario, \$300 million, 6 per cent less; for Manitoba, \$30 million, 6 per cent less; for Saskatchewan, \$20 million, 6 per cent less; for Alberta, \$80 million, 6 per cent less; for British Columbia, 9 per cent less.

I would like to remind those who believe that some economic sectors will be winners that all of them will be losers, according to

the figures of the Department of Human Resources Development. In agriculture, it is 12 per cent less; in forestry, 14 per cent less; in mines, 7 per cent less; in manufacturing, 9 per cent less; in construction, 9 per cent less; in transports, 8 per cent less; in communications, 3 per cent less; in wholesale trade, 6 per cent less—and I am mentioning the highest only; in the hotel industry, 8 per cent less; in other services, 7 per cent less; for an average of 8 per cent less. All economic sectors will be losers according to the figures of the Department of Human Resources Development.

Amendments were moved. The three would add up to \$365 million, of which \$345 million will come supposedly from savings made because of a better fight against fraud by the government. It is hoped that \$345 million will be recovered. Right now, fraud recovery is estimated at a total of \$90 million. How can we recover four times that amount? We would need to catch four times as many cheaters to get that amount. That is what the bill is all about.

I repeat, despite its name, this is not a reform aimed at creating employment opportunities, but a reform aimed at imposing more control on potential unemployed persons. As the hon. member for Malpeque said, the reform should be a reform aimed at eliminating bureaucratic errors. About \$300 million were lost because of errors and three times out of four these errors are made by the Department of Human Resources Development.

I would like to mention the administrative errors contained in the numbers given by the bureaucrats. The last evening of our work in committee, I myself spotted two errors in a computer produced table distributed by the government. One of them concerned Quebec and, listen to this, it was an error of \$4 million made by the computers.

• (1340)

It was the same thing for B.C. I cannot give you the total picture, but the real impact for Quebec was a loss of about 6 per cent of the total—and a loss is a loss. With the three Liberal amendments, there are possible savings of \$365 million. I do not say that it would be the best solution, because the \$2 billion in cuts will remain, but at least, it is not as bad.

[English]

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, I thank the hon. member for Lévis for editing the reports which guided our deliberations late into the night.

I would like to explain the amendments. In order to explain the need to make the amendments I want to put on the record why I personally believe the legislation was worthy of amendment rather than rejection. There are some good things in the bill that I want to bring to the attention of the House.

The shift from weeks to hours as the method of calculating eligibility or the value of work is an improvement, in terms of accessibility, in terms of duration, and in terms of people who have multiple jobs, for 87 per cent of the labour force in the province of New Brunswick. Eighty-seven per cent of the people work more than 35 hours a week. If they work more than 35 hours a week they benefit from the new bill.

People are entitled to employment benefits even after they have exhausted income benefits going back three years, or five years in the case of maternity or illness. That means all kinds of people who lost out on UI based programs in the past will now be eligible for up to three or five years of benefits, depending on the nature of their previous benefits.

The people whose family income is less than \$26,000 saw, even before the amendments to which I am about to speak, an average increase in benefits of 7 per cent.

Finally, and this is very important, I support the clawback as it applies to people who draw on the system every year at the high income levels. Committee members from across the way were having difficulty with this, so I want to put it on the record. I do not think we can sustain the program politically if there are people making the minimum wage, working regular jobs and paying into the program when there are people making twice as much money and drawing every year, year over year. I just do not think that can be politically sustained. I am not talking about someone who lost their job; I am talking about someone who makes a large amount of money and draws every year. I do not think it is fair.

Having said that, there are three major amendments. There are many amendments and I thank the hon. member for Malpeque for recognizing the need to amend the suggestion that would allow the government to move on its incremental shifts.

There is the intensity rule. At the start we were talking about an intensity rule which would draw down the level of benefits from 55 to 45 on 10 weeks. By the time the legislation was introduced in December it was drawn down from 55 to 50, depending on 20 week blocks. The amendment of the hon. member for Etobicoke—Lakeshore will protect low income families whose family incomes are under \$26,000 from the intensity rule. That means that instead of increasing their benefits by 7 per cent, their benefits will be increased by 13 per cent. That is a 13 per cent average increase in benefits for people whose family incomes are less than \$26,000.

On the question of the divisor, when we originally started talking about it a year and a half ago we were talking about something in the neighbourhood of 26 weeks as a constant. By the time the legislation came forward it was 20 weeks. Then it was decided, to the credit of the former minister, that it should be done incremen-

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tally so as not to shock the system too much. It would be done over a period of time.

• (1345)

Finally, the fourth time the divisor was changed via an amendment presented by the member for Halifax, the divisor became two weeks more than the amount one would need to get into the system. In my part of the country it is 12, 14, 15 or 16 weeks, depending on the unemployment rate, plus 2. That is the improvement to the divisor. It is a significant improvement worth an enormous amount of money to people who cannot afford to lose in this program.

Third, there is the gap. I am inexplicably linked to the gap on this issue. I have a hat. Every time the commercials come on American television my kids say that daddy's going to be on television, they are talking about the gap.

When the shift was made from weeks to hours, the government had to come up with a mechanism to determine how much money a person would get in the new system. The original proposal was that from the time persons made their claim, they would go back the amount of weeks as defined by the divisor. Unfortunately, the language of the bill was that one would go back 14 weeks, or 15 weeks or 16 weeks. There was no reference to work.

Consequently, if claimants worked a period and were off for a period, then worked enough to get their claim, when they counted back consecutive weeks from their claim, there were many zeros. It was because people worked in industries where they might work in the spring and in the fall but might not work in the summer. It is very important to recognize that space.

The amendment that I was proud to put forward states that if one does not work for up to 26 weeks, it does not count. One can go back from the time one lays a claim, not to weeks but to weeks of work. By doing that \$246 million was put into the system which will go into the hands of people who are struggling to put enough weeks together to draw employment insurance. It is very important that Canadians understand exactly what this means. There is equity in the program.

I would like to thank the two ministers, the present minister and his predecessor, for having engaged this place in a very extensive discussion. Anyone who says that this debate was closed down should have been with the committee in Whitehorse, Edmonton, Saskatoon, Victoria, Vancouver, Yellowknife, Iqaluit, all over the country. Over a couple of years it received approximately 600 briefs.

This was a very well debated issue. As a result, many changes were made. I remember the two-tier concept which we do not see anymore. There are various amendments I have talked about today. We went into this exercise with a twofold objective, to deal with

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the anomalies created by unemployment insurance of which there are many. That has been done.

It is not over. It will never be over. It is an ongoing process to which improvements can always be found. I am beginning to identify some aspects of the system which need attention. On balance it is a significant improvement which constitutes very significant reform in the system.

Again I thank both ministers, I thank all colleagues involved over the past two years in committees on this issue. It has been an incredible exercise. As I said a week ago during debate on this bill, the system, the committee and the process has served the nation well.

[*Translation*]

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, it is a pleasure to speak on the motions in Group No. 6. I believe they were moved by the Reform Party, the Liberal Party, the Bloc and the NDP.

• (1350)

The Bloc motions seek to delete many clauses of the bill, namely clauses 12, 14, 25 and 27 to 61, which would make the bill inoperative as far as those clauses are concerned. As my colleague from Mercier said on several occasions, members will recall that this strategy was used ad nauseam by the current Minister of Human Resources Development when the Conservatives introduced the controversial GST legislation in this House. Members will also recall that the minister himself presented more than 60 amendments to neutralize one by one all the clauses of the bill on the GST.

Following that, the Liberal government promised to “scrap”—of course, I am quoting here—the GST, and this promise resulted in the resignation of a member, a minister and, to some extent, in a loss of confidence of Canadians in this government.

Along with the attempt to delete some clauses, other amendments were also moved. All that allowed us to point out and prove to the population that our fundamental option on this issue is a perfect match for what ought to be the population's best interests. Our main option is to have the bill withdrawn and to start all over from scratch.

Why? Because this bill is utterly unfair. It will result in claimants receiving fewer benefits for shorter periods of time and therefore being forced to go on welfare much sooner.

My colleague for Lévis earlier quoted new statistics from Scotia Bank indicating clearly that the unemployment rate quoted, the one given in the statistics, is not the real rate, because more and more people are not appearing in the statistics on unemployment or

elsewhere. They have simply stopped receiving benefits and are not yet getting welfare, although they are headed in that direction.

The bill is also unfair because it will be increasingly difficult to obtain unemployment insurance and because the bill creates two categories of unemployed: the ordinary unemployed and the frequently unemployed, that is, seasonal workers who will not have quite the same rights.

The bill is also somewhat regressive. There has been a lot of talk about the decrease in the maximum insurable earnings from \$42,380 to \$39,000. What does this mean in reality? It means that people earning over \$39,000 will stop contributing. That is, people who earn over \$39,000, before, it was \$42,000, will contribute less, and the big companies employing them will also pay less. The difference in the amounts is estimated at \$1 billion right now. This reduction in contributions will, to be compensated, be transferred to the base of the pyramid, to the lowliest folks, those hardest up and those who work very infrequently. They will be taxed. Their contributions will have to be paid the first hour they work.

So \$1 billion from the upper class and the most profitable companies will be transferred to the class of people earning the least and to small and medium size businesses, which are the only ones that create jobs. Therefore, this bill is anti-employment, because employers who have workers earning more than \$39,000 and who need people to work 10 per cent overtime will, instead of hiring people who will pay premiums as soon as they start working, prefer to ask those already employed to work overtime. This means there will be no incentive to share work.

From a fiscal or bookkeeping point of view, the surplus of \$5 billion will, as we have so often said, show up on the books as government assets when, in actual fact, it is as though the government were garnisheeing wages to artificially reduce its deficit.

Each and every time they address the bill before us, the government has been trying to find a scapegoat.

• (1355)

We all remember what the Prime Minister himself said at least twice in the House. It was two years ago, I think. When asked why public finances were in such a mess, he answered it was the beer-guzzling couch potatoes that were to blame. This made the headlines for a while, but he had just singled out those in the system who were to be targeted by the cuts and let on that they should be ashamed.

Furthermore, my Liberal colleague for Malpeque said this morning, among other things, since he spoke several times, that it would be like encouraging some people to burn down their own houses, to torch the system. But we all know that those who are torching the system are not those at the bottom of the social scale.

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They are not on UI benefits. The auditor general has just identified them.

I will just take a few minutes to read an article on what was just found by the auditor general. It made the news for only one day, but I hope there will be more reports on this topic, because it is the tip of a gigantic iceberg. The auditor tells us: "We have examined two advance rulings concerning transfers to the United States of assets worth at least \$2 billion held by family trusts in Canada. In our opinion, the transactions these decisions were about"—listen to what the auditor has to say, he is the epitome of diplomac—"have thwarted the legislator's intent"—this means that the law was not abided by, but it is put in very kinds terms—"with regard to taxing capital gains".

This means that \$2 billion were transferred from a Canadian family trust to the United States. This case was under review. By making this decision, the government created a precedent, and now, if the decision is not rescinded, everybody will take advantage of it.

Today we put a question to the minister on this very issue. I will repeat the question: The minister has the authority to rescind decisions by Revenue Canada and collect hundreds of millions, if not billions, of dollars in taxes owed to the federal government. Is she going to take action? Her answer was that she had taken action. She was reviewing the case.

In the meantime, billions of dollars are going south and the unemployed, who have hardly any means of support, are being pointed out as parasites. I think it is a case of mistaking identity: the ones who are torching the system are not the ones we think. As a matter of fact, the auditor is not the only one to raise this issue. I will remind the House that he is not a member of the Bloc Quebecois nor the Parti Quebecois, of course.

Yesterday, the *Financial Post* came out with some astonishing news based on material it obtained, apparently, from Revenue Canada, and I quote:

[*English*]

A federal government report points to news of offshore tax havens by Canadian corporations and says up to 20 per cent of international transactions that should be reported are hidden from Revenue Canada. Who is the problem in this country?

[*Translation*]

We should not be singling out the unemployed. We should start by collecting the taxes that companies do not pay. I continue.

[*English*]

The study suggests as much as \$60 billion—

[*Translation*]

We hear figures of \$500 million, \$200 million. We are singling out the unemployed as one of the biggest problems in Canada. We

spend a whole week talking about that and, meanwhile, \$60 billion have left the country. We have set precedents which will allow this practice to continue. We put questions to the minister and she tells us that she is studying the matter.

People whose unemployment insurance will be cut—and it will come pretty fast—should remember that if they are targeted for cuts, if the government is appropriating the surplus of the unemployment insurance fund to reduce the deficit, it is because billions are leaving the country without any taxes being paid and nothing is being done to prevent it.

I will just read a little bit more:

[*English*]

Total international transactions by banks and trust companies soared to \$84 billion in 1991 from \$52 billion in the previous year.

[*Translation*]

Thus there is a constant upward trend. Since coming to the House, from the very first weeks in fact, the Bloc Quebecois has been asking for an exhaustive study of the Canadian taxation system, family trusts and tax havens. What did we get? We have absolutely no idea how many family trusts there are. We have no idea how much money there is in those trusts. However, we know that billions of dollars leave Canada while the unemployed are being used as scapegoats.

• (1400)

As far as tax havens are concerned, we are told the issue will be examined in a few months by people who are the chief users of such tax havens. You can easily understand that we are not enthused about supporting an unemployment insurance reform in such circumstances.

Mr. René Laurin (Joliette, BQ): Mr. Speaker, because of the difficult economic context of the past few years, most people must now question how long their jobs will last and how secure they are. Because of the economic context, even someone who has been in the same job for the last 10, 15 or 20 years can no longer be sure of how long he will be able to keep it.

Recent examples have shown how bad the situation is. The most recent one is the Kenworth plant, where workers whose jobs had seemed secure for many years suddenly learned the plant was closing. In this kind of context, people must be much more provident than before in preparing for what could almost be called the whims of fate. No one today knows whether they will be able to keep their jobs.

As a result, all the plans people were making to buy things like houses, trips or cars have become uncertain. People can no longer make long term plans because they feel insecure. In the old days, their relative job security allowed them to spend or at least to think: "If I ever lose my job because of economic conditions, I can still

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count on unemployment insurance to keep me at the same income level for a certain time while I look for a new job”.

People had much more confidence in the unemployment insurance system, which was then a true insurance policy. It was aimed at providing a degree of security for workers; it was a cushion protecting them against job loss. People could still afford to buy a house on the grounds that, if they lost their jobs and were without a salary for a few months, UI would make up the difference. With the help of lending institutions such as banks and credit unions, they could hope to pull through.

In the last two years in my riding office I have had the opportunity to meet with and talk to hundreds of people having problems with the UI system. The economic context being as I described earlier, more and more people have trouble seeing the UI system as a real insurance policy in case of job loss.

Not only did the unemployment insurance fund show a deficit during those years, but the administrative process became heavier and the claims system became more complicated to a point where people in need were not even sure if they would qualify for unemployment insurance.

• (1405)

Here are a few examples. First, let us look at people who have a business and who have a family, who have children. The first people they hire are their children, which is quite normal.

Let us suppose I own an asphalt paving company. You know that, in Canada, at least in Quebec and I think in most provinces, asphalt paving is a summer industry. It is rather difficult to pave streets, driveways, and so on, in the winter.

Let us suppose I own an asphalt paving company and I hire my two sons to work for me. They work all summer but, unfortunately, I have to tell them in November: “I no longer have work for you. There is no paving work done in driveways and in the streets because snow is coming. The government has stopped all highway construction work for the winter”.

Therefore, I advise my sons, who paid unemployment insurance premiums during the whole period, to apply for UI benefits for the winter. But now people at the UI office question the validity of their claims. They think there is something fishy because they are the owner’s sons. There were no questions asked when it came time to take the premiums, to deduct the premiums from their salary, but now when they come to claim benefits, there is a great concern over whether the owner’s son was really in an employer-employee relationship or whether it was not more of a father-son relationship.

All the while the UI inspectors carry out their investigation, the kids have no income. They too, in turn, must deprive their own

children of the necessities of life because when you have no income, the whole family suffers.

While UI is carrying out its investigation, these citizens who paid UI premiums do not receive benefits, until it is established beyond all doubt that they are indeed entitled to them, until it is established beyond all doubt that if these kids had not done the work, their father would have had to hire other people to do it.

This is the kind of thing that, in my opinion, is very unfair to people paying for a service. If there was a desire to improve things, instead of assuming from the outset that people were dishonest and taking advantage of a situation, why not trust them and assume from the outset that, in these cases, since their premiums were accepted, they will be considered eligible for unemployment insurance and receive the benefits claimed? If investigations are needed, let them be done afterward; if false claims are discovered, people will be penalized accordingly. But taxpayers who have made contributions cannot be made to wait for months until an investigation is over.

That is the first example of how Bill C-12, as it stands, does not make unemployment insurance any better.

My second example involves availability, which we would have liked to have seen improved by Bill C-12. Someone on UI would often like to take training, so as to improve his chances in today’s competitive atmosphere. His idea is: if I am having trouble making a living with the knowledge, experience, skills and training I have at present, I will try to improve my situation by taking some upgrading courses and learning something new. This is a completely normal reaction, and one many people have.

• (1410)

Unfortunately, when a person is receiving unemployment insurance, he does not have the luxury of doing this, for anyone who enrolls in a course is considered by unemployment insurance officials to be no longer available for work. In other words, if you get off your backside and take the initiative to do something, you will get your UI cut off as no longer available for work. Not very encouraging to those trying to help themselves.

We might have hoped that Bill C-12 would have done something to help these people improve their situation, but no. And what is worse yet, when there were openings for people to take courses, they were even told: “Sir or Madam, you have too much education already, you have plenty of training, you are quite self-sufficient enough, so you do not need this course. So just keep on waiting until we find some way to help you”.

Mr. Speaker, I see you are indicating that my time is up. I hope to be able to continue sometime this afternoon, so as to get across my entire message on this matter.

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[English]

Mr. Robert D. Nault (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I want to enter this debate and speak on part II.

It is important to talk about part II because there has been a significant amount of contradiction by the opposition. The Bloc has been claiming on a number of fronts in the last weeks as we have debated this bill both in the House and in committee that it is a do nothing bill, that it is intended to reduce costs, that it does not create employment or that it is not intended to help create jobs. On the reverse of that, which is the intriguing part of this, the Bloc then criticizes the bill for having active measures to help people get jobs and the clear job creating measures it contains.

We all know and have heard this on numerous occasions. The member for Mercier has asked when the Minister of Human Resources Development is going to help people get back to work. He has asked when certain things are going to be done as far as the active measures are concerned. Then opposition members stand during this debate and say there are no measures to help people get back to work.

With the contradictions and the compounding of the confusion the member for Mercier is putting out to the public, I thought I would take the last 10 minutes I have today to set the record straight.

The confusion the members have is hurting their credibility and God only knows in this place we certainly do not need members' credibility to be affected by making contradictions. As an example there is the claim by the member for Drummond who said on May 6 at page 2374 in *Hansard*: "There is no concrete measure for job creation in this unemployment insurance reform". Then there is the member for Châteauguay who said on May 6 that this was an anti-employment measure because it has the audacity to cut a payroll tax that we know affects job creation.

How then do opposition members describe the job creation partnerships that are provided in the bill? How do they describe the transitional jobs fund of \$300 million that will go to work to create some 15,000 jobs which, once this bill finally passes the House, will be available in the higher unemployment regions? Some of those areas are Quebec, northern Ontario and Atlantic Canada.

I can safely say that many of us in this place are waiting for that transitional fund to kick in so we can help people find employment. How do opposition members explain the fact that this bill will result in some 75,000 to 100,000 new job opportunities once it is fully implemented?

Again those are contradictions members continue to dismiss as irrelevant in their debate. They say that no jobs are being created,

that there is no help for anybody. At the same time they argue asking why we are entering into provincial jurisdiction and why there are these five employment measures. There are all kinds of these arguments which for some unknown reason we cannot square no matter how hard we try.

The simple fact is that employment insurance is about jobs. It focuses on helping people get back to work with the right kind of support, whether the help is financial through income benefits or through employment benefits which is part II of the bill.

• (1415)

Let me quote the contradiction that pops up with the BQ again. The member for Saint-Hyacinthe—Bagot instructs the government to ensure that people who find themselves in this unfortunate situation are able, in the short or medium term, to re-enter the job market with lasting results. He is absolutely right. That is exactly what the government is attempting to do with part II of this EI reform.

That is the point that members have been trying to make. Bloc members are contradicting themselves again. Active measures are a way to keep insurance costs down by keeping people employed and employment up. That is the whole intent of transferring another \$800 million into active programs, to help people get retrained and get back into the workforce. At the same time, added to that is another \$300 million, which is a transition fund to help those high unemployment areas adjust to a very large behavioural structural change of EI.

I want to mention something to members because we are having great difficulty with this issue. The Government of Canada has recognized that labour market training is the responsibility of provincial governments and linked to the responsibility for education. We have said this over and over again in the House but for some unknown reason it is not to the benefit of the Bloc to say its members have heard what we are saying.

In Bill C-12 it states very bluntly that these measures, which include wage subsidies, income supplements, support for self-employment, partnerships for job creation and skills loans and grants, are all in line with the government's commitment on training. Skills loans and grants will only be implemented with the consent of the provinces concerned. In fact, we have said over and over again that we will get the consent of the provinces to enter into areas that we know are within their jurisdiction. However, our number one objective in part II is to help people through these kinds of programs to get right back into the workforce. If it is a training component other than getting people back to the workforce very quickly the government has to get the consent of the provinces. I think the Bloc finally recognizes that that commitment is a solid commitment.

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I want to stress that point because the BQ members have claimed that the government is still in the training field. The Prime Minister, the minister and Liberal members have said over and over that the federal government is getting out of labour market training. I want to continue to focus on that particular point.

Let me add to this murky mix the Bloc position on expanding eligibility for employment benefits. Let me quote again from the member for Châteauguay: "Not only does the federal government interfere in areas of exclusive provincial jurisdiction"—which we have said we are not willing to do—"such as manpower and social assistance, but it does so with money collected as UI premiums". Can anyone imagine this? That comment would have made good sense if it had come from a member of the Reform Party. However, members have to agree that the federal government, if it does not do anything to help people who have slipped from unemployment insurance to welfare, then what is the point?

A significant portion of this bill deals with helping people. It is estimated that 45 per cent of the people who are on welfare or social assistance can apply for the five major components under part II of employment insurance. The Bloc members, who are the great defenders of the poor so they tell us, are objecting to that. They say that should not be the case. The federal government should not try to help people who are on social assistance. It should get its nose out of it and not help those people get back into the workforce.

The Bloc members are the authors of their own contradictions. They demand that the government create jobs. They demand that we follow a do nothing course on employment insurance that would prevent us from achieving the first goal. They also demand that the government do less for people on social assistance, the most vulnerable in our labour market. I want to disappoint the Bloc.

• (1420)

We are going to meet the very important obligation that was made in the speech from the throne by the Prime Minister and the Minister of Human Resources Development. Part II of the bill contains clear job creating measures. Those measures will be consistent with the policy that has been part of this program since the very beginning. The measures are linked to our specific area of jurisdiction and bring in a new level of collaboration. They expand eligibility for benefits to a wider group of people. The result of part II will be that people will get back to work.

All the juggling of claims by the opposition cannot ignore those essential facts. The most enjoyable part for the hon. member for Malpeque and myself is that we have had the pleasure of dealing with the contradictions which Bloc members have brought to this place in the last number of days as we have debated the report stage motions. They criticize us for not doing anything, but they do not want to talk about part II and the importance of helping people get

back to work. Whenever we do that the only message they want to send to their constituents is that we are entering into provincial jurisdiction.

Again we lay the facts on the table for my friends in the Bloc who desperately need to understand that this will be a structural change for which Canadians will thank us.

A witness who appeared before the committee a number of weeks ago has a reputation for being an individual with vision. His name is Alice Nakamura. He said that our children will thank us for these behavioural changes and the restructuring of this program because they are the most far-reaching behavioural changes which the country has ever seen. The changes are being made because of the new marketplace in which we find ourselves. Quite frankly, I feel very comfortable standing in this place and saying that I agree with Alice. When we look at the changes in the years to come through the monitoring system we will be proven correct.

[*Translation*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 18. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: A recorded division on the motion stands deferred.

Government Orders

[English]

The Deputy Speaker: The next question is on Motion No. 20. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: A recorded division on the motion stands deferred.

[Translation]

The next question is on Motion No. 25. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more that five members having risen:

The Deputy Speaker: A recorded division on the motion stands deferred.

[English]

The Deputy Speaker: The next question is on Motion No. 36. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Deputy Speaker: A recorded division on the motion stands deferred.

The next question is on Motion No. 73. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: The recorded division on the motion stands deferred.

The next question is on Motion No. 171. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: The recorded division on the motion stands deferred.

The next question is on Motion No. 173. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: The recorded division on the motion stands deferred.

The next question is on Motion No. 189. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Government Orders

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: The recorded division on the motion stands deferred.

Shall we call it 2.30 p.m.?

Some hon. members: Agreed.

The Deputy Speaker: It being 2.30 p.m., the House stands adjourned until Monday at 11 a.m.

(The House adjourned at 2.28 p.m.)

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