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OFFICIAL REPORT
(HANSARD)

Wednesday, March 18, 1998

Speaker: The Honourable Gilbert Parent

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HOUSE OF COMMONS

Wednesday, March 18, 1998

The House met at 2 p.m.

Prayers

• (1400)

The Speaker: As is our practice on Wednesdays, we will now sing O Canada, which will be led by the hon. member for Saint John.

[*Editor's Note: Whereupon members sang the national anthem.*]

STATEMENTS BY MEMBERS

[*Translation*]

ECONOMIC DEVELOPMENT

Mr. Raymond Lavigne (Verdun—Saint-Henri, Lib.): Mr. Speaker, Sunday, March 15 was the launch date for “La Dame, votre nouvelle carte d'affaires”, a contest to revitalize rue Notre-Dame ouest, a shopping street located in my beautiful riding of Verdun—Saint-Henri.

Congratulations to Andrée Alepins, Rhéal Lanthier, Pierre Trudel and all those who supported them. I am sure they will reap the rewards of their hard work.

I might add that the Government of Canada contributed to this project by providing a \$15,000 grant from Economic Development Canada and a project coordinator, at the cost of \$16,000, through Human Resources Development Canada.

I wish them all the best of luck.

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[*English*]

IRISH BENEVOLENT SOCIETY

Mr. Pat O'Brien (London—Fanshawe, Lib.): Mr. Speaker, yesterday in my own city of London, Ontario, the Irish Benevolent Society held its 121st annual St. Patrick's Day luncheon.

The members of this society are Canadians of Irish ancestry and their friends. Although they come from a variety of different

backgrounds, they celebrate together and raise funds for charitable work in our community.

Congratulations to them and to all similar groups that do so much good work throughout Canada. May the peace we enjoy here in Canada soon be a reality throughout all of Ireland, the ancestral land of so many Canadians.

[*Editor's Note: Member spoke in Gaelic and provided the following translation:*]

[*Translation*]

Good luck. May the blessing of St. Patrick be on you.

* * *

[*English*]

NATIONAL PAROLE BOARD

Mr. Leon E. Benoit (Lakeland, Ref.): Mr. Speaker, tomorrow Jack Edgar will have his day parole hearing. I quote from a copy of a letter from Linda Ryan, a constituent of mine, to the parole board and I appeal to this government to really listen to her own words.

She says: “On August 18, 1985, Jack Edgar murdered my mother and my aunt. That act began my life sentence of fear, grief and betrayal. This man was my stepfather.

“I know I cannot predict what Jack will do, no one can, perhaps not even Jack himself. I do know I cannot live my life and raise my children with ‘what ifs’. I cannot imagine being able to stay in my home near my family if Jack is released.

“I have not slept through an entire night since the call came to tell me that he is applying for parole. I live each and every day with what he did to them, their terror, their helplessness. My fears are real and grounded and shared by many”.

Will this government do something, anything, to prevent this despicable criminal from being released?

* * *

CANADIAN ARMED FORCES

Mrs. Judi Longfield (Whitby—Ajax, Lib.): Mr. Speaker, in mid-September this member received her first parliamentary posting to the Standing Committee on National Defence and Veterans Affairs.

Since then I have been deployed to northern, western and central Canadian Armed Forces bases to investigate quality of life issues.

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Our military men and women remain prepared to give not only their personal freedom but also their lives if need be in the performance of their duties.

Too often we, the parliamentarians of Canada, remain silent. We neglect to reassure and demonstrate to our military that we understand the need to reaffirm our commitment to honouring our moral responsibility to them.

It has been said that the fastest way to lose one's sovereignty is to lose one's defence capabilities.

Canada must never allow its sovereignty to be put in jeopardy. We must ensure that our military has the tools, the manpower and the support it needs to stand on guard for Canadians.

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[Translation]

THE MOST REVEREND LOUIS LÉVESQUE

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, eastern Quebec, and particularly Saint-Léon-le-Grand in my riding, has just lost one of its sons.

The Most Reverend Louis Lévesque passed away, and his funeral was held on Monday. Ordained in 1932, Monsignor Lévesque studied in Rome, Jerusalem and Paris. He was a teacher at the Séminaire de Rimouski for several years before becoming Bishop of Hearst, Ontario.

Following the Vatican II council, Monsignor Lévesque, then Archbishop of Rimouski, instigated the Diocesan Synod, a vast effort to bring church authorities closer to the community.

He witnessed the great changes Quebec underwent in the 1960s. During this period, both the church and society evolved considerably. Throughout all these changes, he proved his mettle.

To this renowned Bible scholar, all of Quebec says thank you.

* * *

FRANCOPHONIE IN ACADIA

Mrs. Claudette Bradshaw (Moncton, Lib.): Mr. Speaker, this week is National Francophonie Week.

I am therefore inviting everyone on Parliament Hill to La Francophonie en Acadie, an Acadian festival being held as part of the week's celebrations.

Participants will have an opportunity to taste such typical fare as poutine râpée, pets-de-soeur, fricot au poulet and poutine à trou, and to hear two well-known Acadian musical groups, the Quigley Ensemble and Les Méchants Maquereaux, perform.

This event will take place this evening, March 18, 1998, from 5 to 10 p.m. in room 237-C. I would like to thank all the volunteers in Moncton and on the Hill, my staff, and the Minister of Canadian Heritage.

[English]

I hope that everyone on Parliament Hill will join us to experience our lively Acadian culture.

* * *

[Translation]

TRIBUTE TO JUSTICE AVILA LABELLE

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, last Monday, Justice Avila Labelle, a veritable legal institution in the Outaouais region, died after a long illness.

Justice Labelle was called to the Barreau du Québec in January 1936, and was appointed judge of the Cour de district on January 9, 1959, where he remained until 1981. In October 1983, he assumed duties in the Tax Court of Canada.

Justice Labelle's legal knowledge was widely recognized. He left his mark on the legal history of the entire Outaouais district. Those who knew him appreciated his irrepressible humour and his cheerfulness, which were always evident even in court.

• (1405)

Everyone liked him, and called him by his first name. Even during his illness, Justice Labelle insisted on taking part in a Canadian Cancer Society fund-raising campaign.

We wish to pay our respects to the memory of Justice Labelle, and we extend to his family and friends our most sincere condolences.

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[English]

CANADIAN WHEAT BOARD

Mr. Derrek Konrad (Prince Albert, Ref.): Mr. Speaker, prairie farmers and producers will gather in Saskatoon on Thursday to tell their MPs what is wrong with the government's agricultural policies. At the Saskatchewan Forum on Agricultural Issues, hundreds of farmers will present the minister responsible for the wheat board with their grievances which include grain transportation and amendments to the wheat board act.

The Reform Party, speaking on behalf of grain farmers, has repeatedly protested the recent changes to the wheat board act, only to have our farmer driven amendments overruled. Farmers deserve a wheat board that is accountable through the Access to Information Act and is audited by the auditor general. These and other flaws in the Liberal agricultural strategy will be raised by the farmers themselves.

We invite the minister to hear these concerns as he is the only prairie based minister. We urge him to keep an open mind and to evaluate what he hears based on merit. We ask that he respond to this call for change to make the wheat board open, flexible and accountable.

* * *

LA SEMAINE NATIONALE DE LA FRANCOPHONIE

Mr. Reg Alcock (Winnipeg South, Lib.): Mr. Speaker, this week is la Semaine nationale de la Francophonie. It gives me great pleasure as a Canadian and as the member for Winnipeg South to say le fait français is indeed alive and well in both my riding and in North America.

In my riding the descendants of Louis Riel still communicate in their mother tongue. Le Centre culturel de St-Norbert also enriches the cultural tapestry of Winnipeg South.

In recent years thousands of Manitobans have gained an appreciation for the French language and culture by attending French immersion schools.

[Translation]

As we celebrate the French fact in Canada this week, I wish to congratulate all the francophones in my riding, and in Canada, and to extend my best wishes to them.

[English]

Initiatives like la Semaine nationale de la Francophonie help to bridge the two solitudes.

[Translation]

Long live the French fact in Canada!

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[English]

YOUNG OFFENDERS ACT

Mr. Reed Elley (Nanaimo—Cowichan, Ref.): Mr. Speaker, as the justice minister dreams about changes to the Young Offenders Act, violent acts among youth are escalating and reveal why the Young Offenders Act should be scrapped.

Recently in my riding 20 to 30 youths converged on a south Nanaimo home and attacked a 14-year old girl. While most of the cowards involved rampaged throughout the home, some of the more violent youth in the mob severely beat Cammy Hamilton.

Unlike Reena Virk, this young girl survived, but the beating was severe enough that the girl was wakened every few hours by her mother so she would not go into a coma.

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This attack is another example of how some Canadian teenagers are taking violence to a new level. It is also further proof that 14 years of failed young offenders legislation is to blame. Young people know they will receive nothing more than a slap on the wrist when they commit such horrendous crimes.

Reformers call upon this justice minister to forget about tinkering with the Young Offenders Act and to come up with something that finally protects Canadians.

* * *

PUBLIC GALLERY

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, children from across Canada are in our House today. They are visiting while on their March break. As members of Parliament we are indeed lucky to welcome them today and to have among those youngsters a special group, the Little Sisters and Little Brothers of Ottawa-Carleton.

My congratulations and thanks to all those people in our communities who work directly with these young Canadians, the future of our nation. Big Brothers, Big Sisters provides mentoring, friendship and a much needed break. As organizations they welcome Canadians from coast to coast to coast to take up the challenge and become a volunteer. Judging from the fine group of little sisters and little brothers we met, the rewards are infinite.

I thank the students who join us today. They remind us of our tremendous opportunity as a nation and of our responsibility to our youngsters. Have fun.

* * *

[Translation]

CHILD POVERTY

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, the recent federal budget does very little to eliminate child poverty. There is nothing in it to alleviate the problem, except for a measure that will only come into effect in July 1999.

The \$425 million earmarked for children through the child tax benefit program are a measly contribution to help children out of poverty, after this same government plunged their parents into it.

• (1410)

The Liberal government is far from fulfilling the commitment made in a motion adopted unanimously by this House on November 24, 1989, to end child poverty in Canada by the year 2000.

The Liberal government has made its choices. With its millenium foundation, it opted for partisan visibility, instead of helping children get a head start in life. It is a shame.

Oral Questions

[English]

FISHERIES AND OCEANS

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, Canadian waters are protected from potential environmental disasters by the oil spill response program.

Canadians will be shocked to learn that the Department of Fisheries and Oceans may ignore the report of a panel of inquiry known as the Gold report and impose unfair oil spill response fee structures which will benefit the big oil companies at the expense of small independent competitors.

The investigation panel was highly critical of the proposed system, saying that the fee schedule would be unfair to those independents. DFO then squandered several hundred thousand dollars of taxpayers' money to dispute the recommendations of the panel.

The viability of the small independent competitors will be further jeopardized by the possible imposition of the fees being made retroactive to the fall of 1995.

If the minister allows retroactive payments to the major oil companies this could cause the death of independent gas stations across the country, thereby increasing gasoline prices for all Canadian consumers.

To protect our waters and coastlines and to hold the line on gasoline prices, Canadians and the NDP call on the Minister of Fisheries and Oceans to implement the recommendations of the Gold Report.

* * *

[Translation]

INMATES' COMMUNITY WORK

Mr. Nick Discepola (Vaudreuil—Soulanges, Lib.): Mr. Speaker, I want to point out an example of community work and voluntary service provided to the community by inmates in the Canadian prison system.

Some inmates at the Bowden detention centre helped prepare the Canada Games, in Alberta, by shovelling snow on the ski trails in River Bend. The trail network had not received any snow, even though surrounding areas had got tons of the white stuff.

Under escort, six inmates worked seven days a week to prepare the trails. This effort is but one example of the services provided by inmates to the communities to which they will go back some day. This is a positive step for their social rehabilitation, which is a key objective of the Correctional Service of Canada.

PAIX-CIBLE

Mr. André Harvey (Chicoutimi, PC): Mr. Speaker, I would like to acknowledge the extraordinary work done by Paix-Cible. This organization was set up in the Saint-Nom-de-Jésus parish, in the Rivière-du-Moulin area of Chicoutimi.

Its involvement is focused on social education and community action, and is aimed at people of all ages. Through concrete action, Paix-Cible wants to create a peace and harmony movement that will expand to the whole city, the whole region and, why not, the whole country.

The organization also created and inaugurated the Paix-Cible flag. The flag symbolizes the peace that the whole world longs for. The stylized dove covers the Earth from east to west, while its yellow beak provides light to the peoples of the Earth, which are represented by the five colours of the tail.

I am pleased to table this document, which confirms the creation and development of the organization.

* * *

[English]

CANADIAN RED CROSS

Ms. Bonnie Brown (Oakville, Lib.): Mr. Speaker, March is Red Cross month. For over 100 years the Canadian Red Cross has served our country with dedication and selflessness. Examples include work during the recent ice storm, the Red River and Saguenay floods and indeed probably every natural disaster that Canadians have endured.

Every day Red Cross volunteers and staff are in Canadian homes caring for the elderly and infirm. Last year they trained one million Canadians in water safety and 200,000 in first aid and CPR.

Annually Red Cross staff and the 130,000 volunteers touch the lives of two million Canadians, giving more than eight million hours of service.

During March let us extend our thanks to the Canadian Red Cross for its past and present service. The future of Canada is a future of continued partnership with the Canadian Red Cross.

ORAL QUESTION PERIOD

[English]

THE SENATE

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, for a week now Canadians have been waiting for the Prime Minister to fully disclose the nature of his relationship with Ross Fitzpatrick, the latest patronage appointment to the Senate.

Oral Questions

Last week the Prime Minister said that when Fitzpatrick gave him a stock deal worth \$45,000 it was not payment for any work that the Prime Minister did. We accept that.

• (1415)

Will someone in the government tell the House, if it was not payment for work, what was the \$45,000 stock deal payment for?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, the question has so little substance that it was not necessary for me to hear most of it.

I can say to the hon. member that what happened was done between two people in private life 10 years ago. There is no connection whatsoever with the appointment of the individual in question to the Senate. The hon. member knows it, and by keeping up these insinuations and allegations he is demeaning himself and his own party.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, the government pretends not to see the problem that the Prime Minister has created for himself by this latest patronage appointment to the Senate.

The Prime Minister receives a \$45,000 financial favour from a B.C. businessman while out of office. Then, when he is back in office, he confers a political and financial favour on that businessman by appointing him to the Senate.

Is it not unethical for the Prime Minister to grant political appointments to people from whom he has received a direct and substantial financial benefit?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I noted yesterday that the hon. Leader of the Opposition, if I can call him honourable, was outside. He did not dare to repeat the words he used in the House of Commons. That is his type of politics.

I would like to quote something that he said some time ago that applies to the situation right now. "Canadians are fed up", said the Leader of the Opposition on January 15, 1994, "with politicians who behave like baboons and jackasses in debate".

The Speaker: I would ask my colleagues on both sides of the House to be very judicious in their choice of words. We cannot use words from someone else that we cannot use here in the House. I ask you to calm the rhetoric a little and let us see what we can do.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, yesterday the Prime Minister challenged me to step in front of the TV cameras and ask my questions about his latest Senate appointment. So I did.

Now the Prime Minister should be willing to do the same thing if he has nothing to hide. Will the Prime Minister step outside the House and answer questions from the media about this \$45,000 private stock deal from his latest Senate appointee?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, everything is on public record. All the facts are known. I would like to read to the hon. member what he asked his members to sign and he is not respecting that very much.

"I shall respect the personal dignity of my opponent and avoid partisan wrongdoing. With honest recognition that we both have the public good at heart. I see no reason to personally belittle and demean my opponent". I think he should apply it in this case.

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, we do not mean to demean anyone. We just want to ask hard questions to get true answers.

• (1420)

This is a story about friends. When the Prime Minister was down on his luck, friend Fitzpatrick gave him a stock deal that made him \$45,000 profit. That is true. That is what Liberal friends are for. Now the Prime Minister is taking care of his Liberal friend by appointing him to the Senate.

The Prime Minister has said no more cronies and friends in the Senate but friends are friends forever. Let me ask the Prime Minister a question. Why does the Prime Minister not just admit this?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I said in the House, and I repeat it, that I am very proud of the appointment of a person who since 1963 has worked as a private citizen to help the people in his community to participate in the public process.

Hundreds of people in British Columbia have been benefiting from his advice. He has always been a very honest and competent individual. I say again that I worked with him during the time that I was not a member of Parliament. All the facts are known. All of the facts are public. They are on the public record.

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, the problem is not what happened when he was in private life. The problem is making a Senate appointment and the payback now that he is in public life as the Prime Minister of the country.

He has been champing at the bit for years to put Ross Fitzpatrick in the Senate, since 1993 when he came to office. Even some Liberals thought that it was too soon and far too crass to put him in back then in 1993. Now in 1998 he is in the Senate. The appointment has been made.

Why does the Prime Minister think it is ethical now in 1998 but it was not ethical for him to do it in 1993?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, again she does not have the facts right. How could I have

Oral Questions

contemplated naming someone to the Senate in 1993 when there was no opening in the Senate from British Columbia.

They should know that. It is very easy. There is a person in front of me who loves to stay in the dirt. She is very comfortable there. It looks like that.

* * *

[*Translation*]

OPTION CANADA

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, in the Option Canada affair, it turns out that the minister did not hand over a grant 12 days before an application was submitted.

What we do know is that the Minister of Canadian Heritage authorized a grant of \$2 million 12 days before the grant application was submitted.

Does the Minister of Canadian Heritage find it normal to authorize a grant 12 days before an application is submitted? Does she often find herself authorizing grants before an application—

The Speaker: The Minister of Canadian Heritage.

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, if the member opposite rereads the documents I provided him with two months ago, he will find that the comments he made today are still false, as false as they were last week.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the grant was approved 12 days before the application was submitted. What is odd is that, two and a half years later, we still do not know where the money went.

I ask the minister if she is going to require Option Canada to table all the documents concerning its activities, as well as to reveal the names of all those who received money from Option Canada.

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, once again, the member is misleading the House. When he accuses me of personally authorizing grants, he should know that I was not even minister at the time.

Mrs. Suzanne Tremblay (Rimouski—Mitis, BQ): Mr. Speaker, the minister is bound by cabinet solidarity, and she knows that very well.

Mr. Gilles Duceppe: She is the one misleading the House.

Mrs. Suzanne Tremblay: So, much of the mystery surrounding Option Canada centres on a single person, Claude Dauphin, a former Liberal MP, president of Option Canada in 1995 and now senior adviser to the Minister of Finance responsible for Quebec affairs.

• (1425)

In order to dispel all doubts about Option Canada, why is the government not demanding a full and immediate report from Mr. Dauphin on what he did with—

The Speaker: The Minister of Canadian Heritage.

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, the member referred to cabinet solidarity. The leader of the Bloc Québécois was in Saskatchewan last week. He misled the people of Saskatchewan. He made statements he knew and still knows to be wrong, and he is continuing to make them.

I wish he would be honest enough in this House to recognize that what he said in Saskatchewan was just as wrong as what he said last week.

Mrs. Suzanne Tremblay (Rimouski—Mitis, BQ): Mr. Speaker, someone is going to have to explain to her how to answer questions.

Will the Minister of Finance tell us what criteria he used in hiring Mr. Dauphin as a senior political adviser, when he knows very well that he was president of Option Canada during the time of the referendum in 1995, he spent nearly \$5 million of public funds and he never provided a responsible explanation of how he spent it?

An hon. member: Where are the millions?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, speaking of honesty, something I find rather odd on the part of the Bloc Québécois is that they do not want to hear anything about the expenditures of Yves Duhaime of Option souveraineté.

They do not want to hear anything about the millions spent on the Le Hir report, which showed just how dysfunctional sovereignty is, and now there is no sign of it. And the francophones outside Quebec magically disappeared.

Some hon. members: Oh, oh.

Hon. Sheila Copps: If we are going to talk about honesty, we cannot use Blocspeak.

Some hon. members: Oh, oh.

* * *

[*English*]

NATIONAL DEFENCE

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, for as long as there has been a Canada men and women in our maritime military services have answered our call: ready aye ready.

How do Liberals plan to reward that loyal service by cannabilizing CFB Shearwater to create a free trade zone to pamper and protect foreign multinationals? Who is behind the scheme? It is loyal Liberal Doug Young.

The minister cancelled the Shearwater announcement with the admiral and the premier scheduled for March 14. Did he do so because he thought Nova Scotians could better handle this news after—

The Speaker: The hon. Minister of National Defence.

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, there has been for some time some discussions with the Government of Nova Scotia about the future use of the Shearwater base. Not all of it is required for military purposes any longer and we are pleased to be able to make it available for community economic development purposes.

We are still in discussions on that with the province. When we have come to a conclusion on those discussions I hope we will have a very good announcement to make for the people of Nova Scotia.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, the minister has already demonstrated his low regard for military and civilian workers. Just ask those employees who lost their jobs when Serco took over at Goose Bay.

He also demonstrated his high regard for that minority of ex-military officers scheming with loyal Liberal business friends to privatize and contract out vital support functions at military bases.

Will the minister come clean today and confirm that the Liberal government is about to launch a feasibility study on a so-called free trade zone on the lower part of the Shearwater base? Will he have the decency—

The Speaker: The hon. Minister for National Defence.

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, I have never known the NDP to be a friend of the military but I appreciate its interest.

In terms of this government we want to make sure we can in fact preserve jobs at Goose Bay. That was the reason we went to great efforts to save that base and to provide for an alternate service delivery program that not only saves taxpayers money but most people will in fact have jobs there. Those who will not will have the incentives offered by the Government of Canada and assistance into other jobs.

In terms of Shearwater—

The Speaker: The hon. member for Pictou—Antigonish—Guysborough.

* * *

• (1430)

BILL C-68

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, on July 21, 1997 the commissioner of the RCMP

Oral Questions

wrote to the deputy minister of justice stating that grossly flawed and misleading firearms data was used by the former Minister of Justice and the Liberal government during the debate on Bill C-68.

Does the current Minister of Justice agree with the commissioner that the figures, upon which the government operated, justified and garnered support for Bill C-68 prior to and during the election campaign, were grossly flawed?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I think the hon. member missed my answer to the same question yesterday from the Reform Party.

The deputy minister and the commissioner of the RCMP have agreed that there was a methodological confusion on the part of the RCMP in relation to how the statistics were collected. As I understand it today there is no disagreement between the two.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, it is becoming very apparent that the government did use false information prior to and during the election campaign for its own political gains. The commissioner confirmed this in his letter. Furthermore the RCMP have demanded that the record be corrected and the minister has yet to comply.

Will the minister commit now to correcting the data and provide Canadians an opportunity to accurately debate information that might result in flawed legislation?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I take very strong exception to the allegation made by the hon. member in relation to the use of false information by the Department of Justice or my predecessor. In fact if the hon. member had been in the House yesterday, he would know that I tabled a letter from the commissioner of the RCMP in which the commissioner agreed that there was methodological confusion and it has been cleared up.

* * *

THE SENATE

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, the Prime Minister is not answering our questions. On March 9 he said “I never realized the options that were offered to me for my services to Mr. Fitzpatrick’s company and I received no remuneration when I was there”. But then we have the insider trading report stamped by the Ontario Securities Commission that says the Prime Minister received \$45,000 in one week from a sweetheart stock deal.

If the Prime Minister will not explain to the House what this payment is for, why will he not at least step outside and tell the—

The Speaker: The hon. Prime Minister.

Oral Questions

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I repeat that everything is public. The hon. member has it and it has been public since that time. I bought shares and sold them and I made a profit. That is something which is done by everybody. I have bought shares in other companies and I have lost money. I prefer to be in the House of Commons rather than trading shares outside the House of Commons.

I would like to go back to yesterday when they asked him outside the House did he buy the seat. The Leader of the Opposition said "We do not know. No, we are not saying that he bought the seat", but it is what they said in the House before going in front of the camera.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, this deal was not available to everyone. It was only available to someone with an inside connection to the president of that company. This deal has all the appearances of the exchange of a business favour for a political favour. If that is not the case, why does the Prime Minister not go out there and explain to the media and the public what that payment was for?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I repeat here and I will say at any time that I bought some shares. I worked with the company for many years. I said I did not exercise my options and I did not receive any remuneration. It is all on the record and this has nothing to do with the job I have as Prime Minister of Canada.

I know that they said in the House that Senator Fitzpatrick bought his seat and if they repeat it, we will see them in court.

* * *

• (1435)

[Translation]

ICE STORM ASSISTANCE

Mrs. Pierrette Venne (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, my question is for the secretary of state responsible for the Canada Economic Development for Quebec Regions Agency.

The federal program of assistance to victims of the ice storm, hastily announced by two ministers on February 13, is not working. We have learned that only 14 businesses out of 25,000 have received any assistance, and that 80% of those that applied for assistance have been turned down.

With such eloquent figures, will the minister admit that this program is inconsistent with the actual situation faced by businesses and that the criteria used must be completely reviewed as quickly as possible?

Hon. Martin Cauchon (Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.): Mr. Speaker, the House will recall that, when we announced the ice

storm assistance program, it was in response to a request from the business community.

The program was put together with the help of representatives of chambers of commerce. If members visit the affected areas right now, the business people will confirm that covering fixed costs would meet the greater part of the business community's needs.

The important thing to realize is that there is a shortfall of 50% for this program, and that this 50% must come from the Government of Quebec, which is still refusing to take part in a program worked out with the business community.

Mrs. Pierrette Venne (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, the minister should have the courage to admit that a complete review of his program is what is needed.

If he truly wants to help businesses, will the minister agree to review his program's qualifying criteria in depth by Friday of this week?

Hon. Martin Cauchon (Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.): Mr. Speaker, I think that Bloc Quebecois members should wake up and smell the coffee.

I will be in the affected area on Friday. I will have an opportunity to meet with my partners, those with whom we worked to put this program together for the very reason that they asked us to help, because the Government of Quebec wanted to politicize this issue, which is critical to the business community.

So, on Friday, if there are any changes, it will be because my partners have requested them, so that the program can be tailored to the reality of the situation, and not at the behest of the Bloc Quebecois, which unfortunately is once again trying to politicize an issue.

* * *

[English]

THE SENATE

Mr. Bill Gilmour (Nanaimo—Alberni, Ref.): Mr. Speaker, you would think that after the embarrassment of Senator Andrew Thompson the Prime Minister would have learned his lesson about the Senate and would have stopped treating it as a Liberal country club. As it now stands, the only people in Canada who support the Senate are the Prime Minister and his friends Ross Fitzpatrick and Andrew Thompson.

However to fix this problem and ensure accountability in the Senate, Alberta will be holding Senate elections this fall. Will the Prime Minister appoint the winner to the next Alberta vacancy in the Senate?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, when there is reform of the Senate, it will be a complete reform.

Oral Questions

If we were to name people who are elected in one province at this time, and we were to do that in all the provinces, what would happen is that the west, Alberta in particular, would always have only six seats in the Senate, while the maritimes would have 30. That would be a big disservice vis-à-vis western Canada. We want a Senate that is reformed, that is elected equal and effective and not a third rate Senate as proposed by the Reform Party.

Mr. Bill Gilmour (Nanaimo—Alberni, Ref.): Mr. Speaker, it is rather ironic that whenever the Prime Minister is looking for votes in the west, he promises an elected Senate. Now that Albertans want to do that, he is saying no. Typical Liberal double standard.

Why does the Prime Minister think that a scandalous patronage appointment to the Senate is acceptable, but Alberta's democratic election is not?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I voted for an elected Senate. The Reform Party campaigned against an elected Senate when we dealt with the Charlottetown accord.

• (1440)

I can see the hypocrisy of that party. When it had a chance to have an effective, elected and equal Senate, it turned it down. Now Reform members have a lot of crocodile tears.

* * *

[Translation]

TRANSITIONAL JOB FUND

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, the Minister of Human Resources Development has often stated that the transitional job fund constitutes an excellent means of compensating for the disastrous effects of his reform in the regions most affected by unemployment.

Now we learn that there is no money left in this program, although it was slated to run until July 1999.

What is keeping the minister from complying with the request from Minister Louise Harel that additional funds be injected into this program, which was created to counteract the negative effects of his reform?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, I am surprised to hear the hon. member telling me that Mrs. Harel is the one now calling for this. I believe we are capable of making our own decisions about the TJF.

I have never said, as the hon. member states, that the TJF was intended as compensation for a disastrous reform. In fact, I never even used that term.

What I do know is that the transitional job fund has been an extremely useful tool in regions of high unemployment, in order to create the jobs unemployed people want above all else.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, what he said is that money would be available until July 1999, and there is none left in the fund.

How can the minister's words be so divorced from reality when we know that unemployed people are experiencing abject poverty because of his reform, while he is pocketing \$135 million weekly from the surplus in the EI fund?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, concerning the TJF, we have invested up to \$93 million, which has created close to 17,000 jobs in certain regions of Quebec, including the very region of the hon. member of the opposition who spends his time asking questions.

What I can tell you is that this is an extremely useful tool and one that is greatly appreciated. It is a program that has lasted for three years, and we on this side of the House want to keep it.

* * *

[English]

THE BUDGET

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the Minister of Finance is building a \$2.5 billion slush fund for the next election while charging it to the public accounts this year. The auditor general has said "no way" and the public accounting profession has said "absolutely not", while the minister tries to bully the auditor general into seeing it his way.

Will the Minister of Finance back down and back off before the taxpayers' watchdog fights back?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, we have made it very clear that we intend to follow the practice in the private sector which is far more open and far more transparent. That is what we have done.

I would simply point out to the hon. member that we have done this on the advice of the deputy comptroller general who is a senior member of the accounting profession, a partner at Deloitte & Touche on secondment to the government. We have followed his advice and his advice is right.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the minister had a choice. He could have delivered responsible government. He could have given tax relief to taxpayers or he could have paid down the debt. Instead, he chose to create a slush fund and bully the auditor general into buying his line.

Oral Questions

Will the Minister of Finance back down and admit that the \$2.5 billion of taxpayers' money belongs to them and not to his slush fund?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, is the hon. member saying that a \$2.5 billion scholarships program for 100,000 students at \$3,000 a year is not going to Canadians? Is the hon. member saying that giving money to students to go into their pockets to pay off their debts is not giving money to Canadians? Is the hon. member saying that investing in education for the future of this country is not giving money to Canadians? That demonstrates what the Reform Party thinks of this country of Canadians.

* * *

[Translation]

TOBACCO LEGISLATION

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, the government has taken so long to honour the commitment it made during the election campaign to lighten its anti-smoking legislation that the papers are carrying all sorts of rumours about it.

Will the Prime Minister finally keep his word? How does he plan to do so, and when will he?

• (1445)

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, if the hon. member was referring to the Tobacco Act, we certainly do intend to honour our commitment.

Speculation on how we plan to do so is useless. We will act when we are ready.

* * *

[English]

MULTILATERAL AGREEMENT ON INVESTMENT

Mr. Bill Graham (Toronto Centre—Rosedale, Lib.): Mr. Speaker, Canadians are proud of the uniquely bilingual and multi-cultural society we have created of this country. What assurance can the Minister for International Trade give this House that Canada's ability to protect that culture will be preserved in the present negotiations over the multilateral investment agreement?

Mr. Julian Reed (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, I am very happy to inform my colleague that the minister has set out a series of guidelines for the negotiators which they are standing absolutely firm on. We will negotiate nothing that will jeopardize those positions in any way whatsoever. My colleague can rest comfortably that Canada will only sign an agreement that is good for Canada.

THE BUDGET

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, as part of their threatening letter to the auditor general, the finance minister's henchmen admitted what we have been saying all along. The government is guilty of breaking public sector accounting principles and it plays fast and loose with billions of taxpayer dollars. Instead of fixing its shoddy accounting it has decided to rig the rules to weasel out of it.

Can the finance minister explain to Canadians why it is okay to change the rules in the middle of the game just because they were caught cheating at the old rules?

The Speaker: Again, colleagues, we are coming very close using words like cheating. I would ask you to be very judicious.

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, if there has ever been any indication of the Reform Party philosophy, stop the world I want to get off, let us understand that the world evolves, things change and governments must adapt. What we are dealing with here is a Reform Party that is so rooted in the 16th century that it fails to understand what the modern economy is all about and that modern accounting principles ought to follow modern governance.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, or maybe it is just a case of the finance minister fixing things to suit his own political ends.

The facts are these. The government fudged the books by billions of dollars. It was caught fudging. It admitted it was fudging and now it is trying to change the rules to cover up the fact that it fudged these things.

Why will the finance minister not admit that if had followed these rules all along there would be hundreds of dollars per taxpayer available for general tax relief?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, there is \$7 billion worth of tax relief in this budget over the next three years. Let us be very clear about one thing. This government has made it evident right from the beginning that the days of overspending are over. This means tight controls, total openness and total transparency. That is the course we are on and that is the course we will stay on.

* * *

ABORIGINAL AFFAIRS

Mr. Gordon Earle (Halifax West, NDP): Mr. Speaker, the Minister of Indian Affairs and Northern Development has said many times that she wants to work in partnership with aboriginal peoples. Two days ago I met with the chief of the Millbrook First Nation in Nova Scotia. He has requested to meet with the minister regarding a project that will create jobs and economic development. The minister has indicated she is unable to attend.

Oral Questions

Whereas \$900,000 may cease to be available for this project unless the federal government acts before the end of this fiscal year, will the minister reconsider and in a spirit of true partnership meet immediately with Chief Lawrence Paul?

Hon. Jane Stewart (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I have been down to the Atlantic provinces and I had opportunities to meet with a number of chiefs in that region. If the chief has need of a meeting or wants to convey information to me he is free to do so and I will be there to receive it and to speak with him.

* * *

EMPLOYMENT

Ms. Angela Vautour (Beauséjour—Petitcodiac, NDP): Mr. Speaker, my question is for the Minister of Human Resources Development. The unemployed in the Beauséjour—Petitcodiac riding are once again taking the hit when it comes to financial help from the Liberal government. Forty per cent of the identified gappers will not qualify for the programs announced by the Liberals. This means they are going with no income for three months because of EI zoning problems and cuts to the EI program.

• (1450)

[*Translation*]

With a \$20 billion surplus in the employment insurance fund, is the minister prepared to admit that his reform is not working and is he prepared to take steps to alleviate the suffering of the unemployed?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, first, the figures used by the hon. member have no relation to the facts.

We talked about this earlier. We combined this reform with very practical measures for workers in regions with high unemployment, such as the transitional job fund. These are active measures to help the unemployed return to the labour market. We set up a reform that is very useful for Canadian workers.

* * *

[*English*]

BILL C-68

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, based on the commissioner's letter of July 21, 1997, which I would like to table today, we now know that the Minister of Justice, past and present, relied on and made use of flawed public information as it pertained to Bill C-68.

The minister knows that there are four provinces and two territories presently before the Alberta Court of Appeal debating the constitutionality of Bill C-68.

According to the letter of the RCMP commissioner informing the minister in February, 1997 that the firearms data were bogus or, to use her words, methodologically mistaken, did the minister supply the Alberta—

The Speaker: The hon. Minister of Justice.

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I can only reiterate that which I said yesterday to the House.

The report to which the hon. member refers was not prepared by the Department of Justice alone. As I said yesterday, the report was the work of experts from the Canadian Association of Chiefs of Police, the RCMP, the solicitor general and provincial representatives from Quebec, B.C. and the OPP.

Again I refer to the fact that the letter I tabled yesterday indicates that any disagreement or confusion between the commissioner and my deputy minister has been clarified.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, the minister obviously did not hear my question. The minister took an oath as a lawyer and as the Attorney General of Canada that she would at all times supply the courts and the public with accurate information.

I repeat my question. Did the minister knowingly supply flawed information for the Alberta Court of Appeal? If she did so, will she resign?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I would ask the hon. member where he thinks the inaccuracy is. I would be happy to talk to the hon. member about where he believes this inaccuracy is in the data that we presented.

* * *

FISHERIES

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, my question is to the Minister of Fisheries and Oceans.

The sea lamprey marine parasite seriously jeopardizes the recreational, commercial and aboriginal fisheries in the Great Lakes.

Will the minister today commit to adequate funding of the sea lamprey control program to ensure long term sustainability of our Great Lakes fisheries?

Hon. David Anderson (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I thank the hon. member for Huron—Bruce for his interest in this issue.

The government remains committed to protecting the inland fishery resources, particularly of the Great Lakes, and the continuation of the sea lamprey parasite program.

Oral Questions

Negotiations are going on between governments. As members will know, there is an international aspect to this. We also had discussions with the Ontario government.

I trust I will be able to give the hon. member the answer he would like before the end of the month.

* * *

IMMIGRATION

Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.): Mr. Speaker, my question is for the Minister of Citizenship and Immigration.

On January 5, 1998 the minister released the immigration legislative review report, a \$1.2 million exercise.

The minister has completed her cross-Canada tour to hear from her hand picked groups.

The minister does not need legislative initiatives to deal with issues like refugee determination and enforcement orders. Why is she not acting now on these orders?

[Translation]

Hon. Lucienne Robillard (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I am very surprised. I have just received the official opposition's report on immigration.

Their recommendations on refugees, specifically, include abolishing the refugee board and setting up another structure, resulting in legislative changes. I therefore have a hard time understanding what the Reform member is proposing today.

* * *

• (1455)

COURT CHALLENGES PROGRAM

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

The minister cut 9% from the budget of the court challenges program available to francophones outside Quebec to defend their rights before the courts. There are a number of cases on educational rights in preparation at the moment.

Could the minister commit today, on the occasion of the Semaine nationale de la francophonie, to return this 9% and even expand this program substantially to enable francophones to defend their educational rights in—

The Speaker: The Hon. Minister of Canadian Heritage.

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Done, Mr. Speaker.

[English]

TRANSPORT

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, my question is for the Minister of Transport.

Last month the minister indicated that he was counting on the good will of the railroads to stop dismantling more rail lines until Mr. Willard Estey has completed his review of grain transportation.

Knowing how CN and CP have looked out for the interests of western grain farmers over the past 100 years, there has no doubt been great comfort and enormous relief among our farming community.

Could the minister inform the House what assurances he has received from the railroads that they will not dismantle any more track until after Mr. Estey reports? Can he tell us what action he—

The Speaker: The hon. Minister of Transport.

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, a couple of years ago the railways gave notice on which track they wished to abandon in Canada. They followed a certain process.

What we have done in various discussions is remind them of the obligations, remind them of adhering to the spirit of the National Transportation Act amendments a couple of years ago which gave them the freedom to operate in a businesslike fashion, and also keep in mind the public interest.

If we find this is not being done, then certainly I will communicate further with the railways and perhaps take further action.

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BUCKINGHAM PALACE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, for 40 years Canada has shared with Australia and New Zealand in seconding a public servant to serve in Her Royal Majesty's press office at Buckingham Palace.

It is once again Canada's turn. However, the Prime Minister has unilaterally refused to send a representative. I was told today by the London press that the PMO's press officer said they knew nothing about the monarchy or any ties.

My question is for the Prime Minister. Is he denouncing Canada's ties with the monarchy? Will he reconsider his position and second a public servant to continue this important longstanding tradition?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I did not think the question was coming to me. If the hon. member will repeat her question, I will reply. I am sorry.

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, for 40 years Canada has shared with Australia and New Zealand in seconding a public servant to serve in Her Royal Majesty's press office at Buckingham Palace.

Is the Prime Minister today denouncing Canada's ties with the monarchy? Will he reconsider his position and second a public servant to continue this important longstanding commitment to the Queen?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not know if we have refused to second someone to work with the royal family. I think Canadians were there and I do not know why we would not be there. Australia is there and we should be there.

* * *

AIR INDIA

Mr. John Nunziata (York South—Weston, Ind.): Mr. Speaker, my question is for the solicitor general. Thirteen years ago the worst mass murder took place in Canadian history when over 300 Canadians were murdered when an Air India flight was blown out of the sky off the coast of Ireland.

To date, charges have not been laid. Inspector Gary Bass, who heads the Air India investigation, confirmed last week that charges would be forthcoming.

Will the solicitor general confirm that Inderjit Singh Reyat and others will be charged in relation to the Air India mass murder? If so, when?

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, surely the hon. member has been around here long enough to know I am not going to speak to the issue of laying of charges by the RCMP or by the Government of British Columbia. The hon. member should know better.

* * *

BANKS

Mr. John McKay (Scarborough East, Lib.): Mr. Speaker, it was recently reported that a Canadian went into a bank in order to obtain a loan and as a condition of obtaining the loan was required to transfer his mutual funds.

• (1500)

My question is to the Minister of State for Financial Institutions. What is he going to do about this action of tied, coercive selling?

Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, I want to thank the member for Scarborough East for his very important question and his leadership on this issue.

Routine Proceedings

In response, last year we enacted that, subject to committee review, we will be proclaiming in September a law prohibiting coercive tied selling.

I understand the committee will begin its deliberations in April, but meanwhile let me be very clear: Canadians must not be subjected to coercive tied selling. If they are we want to hear about it. We will not stand for it.

* * *

POINTS OF ORDER

COMMENTS DURING QUESTION PERIOD

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I would like to complete an earlier answer for the hon. member for Saint John, New Brunswick. I wanted to tell her that if she wants that job I can give it to her.

WAYS AND MEANS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, there have been consultations among all parties in the House and I believe you will find consent for the following motion. I move:

That any recorded division demanded this afternoon on any Ways and Means proceedings Nos. 3, 6, 10 or 11 be deferred to the expiry of the time provided for the consideration of Government Orders today.

(Motion agreed to)

ROUTINE PROCEEDINGS

[Translation]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 15 petitions.

* * *

[English]

PETITIONS

MULTILATERAL AGREEMENT ON INVESTMENT

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, I have the pleasure today to present a number of petitions, with names gathered from all across Canada, from Canadians who are concerned about the multilateral agreement on investment.

They are concerned that the MAI is the latest in a series of regional and global agreements which, in the name of liberalizing trade and investment, expand the powers of multinational corpora-

Routine Proceedings

tions at the expense of the powers of governments to intervene in the marketplace on behalf of our social, cultural, environmental and health care goals.

• (1505)

They also submit that the MAI is fundamentally flawed in so far as it seeks to protect the rights of investors without seeking similar protection for workers through binding core labour standards and that the MAI is anti-democratic in so far as it would be binding for 20 years, thus tying the hands of several parliaments and future governments.

They therefore call upon Parliament to reject the current framework of MAI negotiations and instruct the government to seek an entirely different agreement by which the world might achieve a rules-based global trading regime which protects workers, the environment and the ability of governments to act in the public interest.

We have many petitions to present. Thousands of Canadians have signed these petitions. They call upon Parliament to reject the MAI.

NATIONAL HIGHWAY SYSTEM

Mr. Lynn Myers (Waterloo—Wellington, Lib.): Mr. Speaker, I am pleased to rise today to present a petition on behalf of a number of Canadians, including Canadians from my riding of Waterloo—Wellington.

The petitioners request Parliament to urge the federal government to join with provincial governments to make the national highway system upgrading possible.

MULTILATERAL AGREEMENT ON INVESTMENT

Mr. Reed Elley (Nanaimo—Cowichan, Ref.): Mr. Speaker, pursuant to Standing Order 36, it is my pleasure to present several petitions from my constituents in Nanaimo—Cowichan.

One petition deals with the multilateral agreement on investment. The petitioners are concerned that the Government of Canada has been involved in negotiating this deal behind closed doors and that the people of Canada have not been consulted on this deal.

The petitioners respectfully ask Parliament to impose a moratorium on the ratification of the MAI until there are full public hearings so that all Canadians have an opportunity to express their opinions on it.

I concur with this petition.

GOODS AND SERVICES TAX

Mr. Reed Elley (Nanaimo—Cowichan, Ref.): Mr. Speaker, I also have a petition from about 150 constituents, indicating that the GST—

The Deputy Speaker: Order. If the hon. member is going to continue to present petitions, I invite him not to indicate whether he disagrees or agrees with the petitions.

Mr. Reed Elley: Mr. Speaker, I will refrain from doing that.

I also have a petition, containing about 150 names, from constituents who indicate to the House of Commons that the GST is the first federal tax in Canadian history to apply to reading materials.

The petitioners urge Parliament to remove the GST from all books, magazines and newspapers.

MULTILATERAL AGREEMENT ON INVESTMENT

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, it is my honour to present a petition, pursuant to Standing Order 36, on behalf of a number of Canadians from various Liberal and Reform constituencies throughout Canada.

The petitioners point out that the Liberal Party, the Conservative Party, the Bloc Quebecois and the Reform Party all support the MAI. They also point out that the European Parliament has recently issued a report strongly condemning the MAI.

They want to point out a whole number of points that the previous speaker, my colleague from Winnipeg, has already indicated.

Basically they are calling upon Parliament to reject the MAI.

PUBLIC NUDITY

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present four petitions signed by approximately 3,152 people, primarily constituents of Scarborough Centre and surrounding areas.

These concerned individuals call upon Parliament to enact legislation to amend the Criminal Code, specifically section 173, which deals with indecent acts, and section 174, which deals with nudity, to make it clear that a woman appearing topless in a public place is an indecent act.

I support this petition.

The Deputy Speaker: Once again, the hon. member for Scarborough Centre knows it is contrary to the rules and practices of the House to indicate support or opposition to a petition. I invite him to comply with the rules in that regard.

NUCLEAR WEAPONS

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I have the honour to present another petition on behalf of concerned Canadians who are calling on Parliament to support the immediate initiation and conclusion by the year 2000 of an international convention which will set out a binding timetable for the abolition of all nuclear weapons.

TRANS-CANADA HIGHWAY

Mr. Lee Morrison (Cypress Hills—Grasslands, Ref.): Mr. Speaker, I have two petitions to present, signed by a total of 1,243 of my constituents.

More than half of the petitioners are from the little community of Gull Lake which lies at the east end of the infamous Trans-Canada death strip where 39 lives have been lost since 1978.

• (1510)

The petitioners state that notwithstanding the constitutional division of powers, the federal government has a responsibility to assist provinces with upgrading substandard sections of the Trans-Canada Highway, and that the province of Saskatchewan, with six times the national average length of roads and highways per capita, cannot finance this necessary public work without a federal contribution.

They therefore humbly pray and call on Parliament to instruct its servants to immediately commence negotiations with the Government of Saskatchewan to jointly fund the upgrading of this vital national transportation link by constructing two additional lanes.

MULTILATERAL AGREEMENT ON INVESTMENT

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, pursuant to Standing Order 36, I would like to present three petitions with regard to the MAI which the Government of Canada is currently negotiating. It is an international trade agreement of the Organization of Economic Co-operation and Development in Paris called the multilateral agreement on investment.

The petitioners note that the MAI is the latest in a series of regional and global agreements which, in the name of liberalization, trade and investment, expands the powers of multinational corporations at the expense of the powers of government to intervene in the marketplace on behalf of our social, cultural, environmental and health care goals; that the MAI is fundamentally flawed in so far as it seeks to protect the rights of investors without seeking similar protection for workers through binding core labour standards; and that the MAI is anti-democratic in so far as it would be binding for 20 years, thus tying the hands of several parliaments and future governments.

Therefore, we petition Parliament to reject the current framework of the MAI negotiations and instruct the government to seek—

The Deputy Speaker: Order, please. It has become apparent to the Chair that the hon. member is reading the petition and I think he knows that is contrary to the rules.

When members present petitions they are to indicate the general nature of the petition and give a brief summary of the petition. I

Routine Proceedings

would invite the hon. member to comply with the rules. I think he has more than made his point in respect of this petition.

PUBLIC SAFETY OFFICERS

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

The petitioners would like to draw to the attention of the House that our police officers and firefighters place their lives at risk on a daily basis as they execute their duties and that when one of them loses their life in the line of duty their employment benefits often do not provide adequately for the surviving family.

The public also mourns the loss when one of them loses their life and would like to provide, in a tangible way, some assistance to the surviving families.

The petitioners therefore call upon Parliament to enact a public safety officers compensation fund for the benefit of the families of police officers and firefighters who are killed in the line of duty.

MULTILATERAL AGREEMENT ON INVESTMENT

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I am pleased and privileged to be able to present a petition under Standing Order 36 on behalf of my constituents. The petitioners are all residents of my constituency of Winnipeg North Centre.

The petitioners express their deep concern about the multilateral agreement on investment. They are concerned about the process and the secrecy surrounding the development of this agreement. They are also concerned with the substance of the agreement and believe that it is fundamentally flawed in that it seeks to protect the rights of investors without seeking similar protection for workers through binding core labour standards.

I want to indicate that the petitioners call upon this government to reject the multilateral agreement on investment and to put in place responsible international policies.

PUBLIC NUDITY

Mr. John Nunziata (York South—Weston, Ind.): Mr. Speaker, I would like to present a petition on behalf of Deborah McNamara of Aurora, Ontario and a number of other residents who object to the decision of the supreme court to rule unconstitutional the nudity provisions of the Criminal Code.

They call upon Parliament to amend the indecent acts and public nudity provisions of the Criminal Code to clearly state that it is an indecent act for a woman to expose her breasts in a public place, with the exception of women who are breast feeding.

Routine Proceedings

IMMIGRATION

Mr. John Nunziata (York South—Weston, Ind.): Mr. Speaker, the second petition that I would like to present to the House concerns Manickavasagam Suresh, who is a Canadian refugee and determined as such in 1991.

The petitioners state that if deported to Sri Lanka he will face danger to his life and freedom at the hands of the Sinhalese dominated security force.

The petitioners call upon the minister and Parliament to ensure that Mr. Manickavasagam Suresh is not deported and request his immediate release from incarceration.

• (1515)

CIVIL AND POLITICAL RIGHTS

Mr. Rick Laliberte (Churchill River, NDP): Mr. Speaker, I have two petitions to present.

I present the first one on behalf of petitioners from across Canada. They would like to draw attention to the actions of the Canadian government in the arrest and treatment of citizens protesting at Clayoquot Sound, Temogami, Ipperwash, Oka, Gustafson Lake, Slovan Valley and APEC. They have violated the civil and political rights of those arrested, which is in violation of the international covenant of civil and political rights to which Canada is a signatory.

They are raising this issue and request that the Canadian government act on it.

MULTILATERAL AGREEMENT ON INVESTMENT

Mr. Rick Laliberte (Churchill River, NDP): Mr. Speaker, the second petition is also from petitioners from across Canada. It deals with the multilateral agreement on investment; sovereign rights of Canada; and labour, social and environmental issues.

They call upon the government to take a second look at our signing away these vested interests of Canadians.

CRTC

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I have a petition motivated by the CRTC decision on July 22, 1997 to refuse to license more religious television broadcasters while on the same day it licensed the pornographic Playboy channel for television service.

Therefore the petitioners pray that parliament review the mandate of the CRTC and direct the CRTC to administer a new policy which will encourage the licensing of religious broadcasters.

MULTILATERAL AGREEMENT ON INVESTMENT

Ms. Bev Desjarlais (Churchill, NDP): Mr. Speaker, I present seven petitions from Canadians throughout the country.

They ask for parliament to reject the current framework of the multilateral agreement on investment. They ask the government to look at an entirely different agreement, one that will protect workers, the environment and the social interests of all Canadians rather than just those of investors.

Ms. Wendy Lill (Dartmouth, NDP): Mr. Speaker, I would like to present four petitions on behalf of citizens from across the country including my riding of Dartmouth. They are very concerned about the effect of the multilateral agreement on investment on labour, environment, arts and culture.

They would like to see parliament reject the current framework of the MAI negotiations and instruct the government to seek an entirely different agreement by which the world might achieve a rules based global trading regime that protects workers, the environment and the ability of governments to act in the public interest.

Mr. Gordon Earle (Halifax West, NDP): Mr. Speaker, pursuant to Standing Order 36, I am pleased to present 11 petitions representing hundreds of Canadian citizens across the country.

They are also objecting to the MAI. They are requesting the government to reject the current framework and to establish an appropriate rules based trading agreement which will protect the environment, social welfare programs and so forth.

Mr. Dan McTeague: Mr. Speaker, I rise on a point of order. I would like the consent of the House to present a private member's bill.

I realize that time has elapsed but like many other members we were caught outside and I simply want to introduce one bill today.

The Deputy Speaker: Does the House give its consent to revert to the presentation of bills.

Some hon. members: Agreed.

* * *

CANADIAN RADIO-TELEVISION AND
TELECOMMUNICATIONS COMMISSION ACT

Mr. Dan McTeague (Pickering—Ajax—Uxbridge, Lib.) moved for leave to introduce Bill C-381, an act to amend the Canadian Radio-television and Telecommunications Commission Act.

He said: Mr. Speaker, this bill, co-sponsored by my colleague from Leeds—Grenville, amends the CRTC Commission Act to provide for representation of consumers on the board of commissioners.

At the beginning of this month, Canadians again saw what little voice they had when the CRTC made a ruling permitting the basic

television cable service to be left in its own jurisdiction. The problem with cable increases has been raised in the public domain.

• (1520)

The bill would ensure that half the CRTC commissioners be appointed from consumer organizations with expertise in broadcasting and telecommunications. The commission would then be a more forceful watchdog in the industry.

The bill also provides that commissioners detail how they vote on CRTC decisions and that the commission be vested with the responsibility to assure both the cost effectiveness and the rights of Canadian consumers with respect to these decisions.

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

* * *

[Translation]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if Question No. 73 could be made an order for return, the return would be tabled immediately.

The Deputy Speaker: Is it the pleasure of the House that Question No. 73 be made an order for return?

Some hon. members: Agreed.

[Text]

Question No. 73—**Peter MacKay:**

With respect to the Canada–Nova Scotia Infrastructure Works program: (a) what projects have been approved under this program since June 2, 1997; (b) what was the location of each approved project; and (c) what was the financial contribution made by the Government of Canada for each approved project?

Return tabled.

[Translation]

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

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

The Deputy Speaker: Is that agreed?

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Some hon. members: Agreed.

[English]

COMMITTEES OF THE HOUSE

NATIONAL DEFENCE AND VETERANS AFFAIRS

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I rise on a point of order. There have been consultations among the parties and I think you would find unanimous consent for the following motion:

That, in relation to its study of social and economic challenges facing Members of the Canadian Forces, the Standing Committee on National Defence and Veterans Affairs be authorized to travel to Trenton from March 29 to 31st, 1998, to Petawawa on April 20 and 21, 1998, to Borden and Meaford from April 26 to April 28, 1998, to Gagetown, Goose Bay and Halifax from May 3 to May 8, 1998, to Bosnia and Geilenkirchen, Germany, from May 17 to May 23, 1998, and that the necessary staff do accompany the Committee.

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

Some hon. members: Agreed.

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

Some hon. members: Agreed.

(Motion agreed to)

GOVERNMENT ORDERS

[English]

WAYS AND MEANS

EXCISE TAX ACT

Hon. Lawrence MacAulay (for the Secretary of State (International Financial Institutions)) moved that a ways and means motion to amend the Excise Tax Act, laid upon the table on Thursday, December 4, 1997, be concurred in.

(Motion agreed to)

EXCISE TAX ACT

Hon. Lawrence MacAulay (for the Minister of Finance) moved that a ways and means motion to amend the Excise Tax Act, laid upon the table on Friday, February 13, be concurred in.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

(Motion agreed to)

Government Orders

KAMLOOPS INDIAN BAND TAX

Hon. Lawrence MacAulay (for the Secretary of State (International Financial Institutions)) moved that a ways and means motion to implement a Kamloops Indian Band Tax on Alcohol, Tobacco and Fuels, laid upon the table on Tuesday, March 17, be concurred in.

The Deputy Speaker: 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 the 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: In accordance with the order adopted earlier this day, the division on this motion is deemed deferred until 5.30 p.m.

BUDGET IMPLEMENTATION ACT

Hon. Lawrence MacAulay (for the Secretary of State (International Financial Institutions)) moved that a ways and means motion to amend the Budget Implementation Act, laid upon the table on Tuesday, March 17, be concurred in.

The Deputy Speaker: 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 the 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:

• (1525)

The Deputy Speaker: In accordance with the order adopted early this day, the division of the motion is deemed deferred until 5.30 p.m.

SMALL BUSINESS LOANS ACT

Hon. Fred Mifflin (for the Minister of Industry) moved that Bill C-21, an act to amend the the Small Business Loans Act, be read the third time and passed.

Mr. Walt Lastewka (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I am pleased to have an opportunity to speak at third reading of Bill C-21. This is an important piece of legislation because it extends the Small Business Loans Act program and its funding for one year.

As members will know, a comprehensive review of the small business loans program is being done. The legislation before us today allows the program to continue while this review takes place.

Let me begin by emphasizing for those who have failed to understand that Bill C-21 is not a spending measure because the small business loans program is not a spending program. It is a loan guarantee program.

The legislation extends the funding for the SBLA program by raising the aggregate lending ceiling under the SBLA by \$1 billion, from \$14 billion to \$15 billion. The \$15 billion figure contained in Bill C-21 does not mean that the government will be spending \$15 billion. It means that the government will be standing behind loans to the small business community that have a total value of \$15 billion.

Members across the way have objected to this increase in the loans ceiling. I caution them that should we fail to pass Bill C-21 we will place a severe handicap on the SBLA program, which serves Canada's small and medium size businesses well and provides much needed access to financing.

In considering the desirability of this increase in the lending limit, we should recall the way the program authority works under the SBLA. The act provides a total or aggregate authority for all SBLA loans made by participating financial institutions during a specified lending period. Repayments of loans have no effect on the ceiling. Neither do the defaults nor claims paid.

The present lending period covers the years 1993 to 1998. The total loans made to date now stand at more the \$12.7 billion. They are expected to reach \$13 billion by March 31, 1998. However current authority to register loans is capped at the \$14 billion mark for this lending period. If the House of Commons extends the current lending period to March 31, 1999, as is proposed by Bill C-21, we can expect further demands on loans.

Based on our experience during 1997 and 1998 we expect financial institutions would make an additional \$1.7 billion of loans under the act in the coming year. This would increase total lending under the SBLA to \$14.7 billion and exceed the SBLA's present authority of \$14 billion. Therefore, for lending to continue

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under the program during the entire extended lending period, an increase in the aggregate lending ceiling is required.

Given that loans are registered on an average three months after being made, at the time the \$14 billion ceiling is reached several hundred loans may already have been made to small businesses that the SBLA would not be able to register without the increased lending ceiling. This would certainly lead lenders and borrowers to re-examine these loans.

Without the additional \$1 billion of lending authority, a great many small businesses would not be able to count on the SBLA to support their loans. This may cause major disruptions to entrepreneurs and businesses across Canada. That is why Bill C-21 proposes to raise the lending ceiling to \$15 billion.

• (1530)

Assuming we see the same rate of lending as last year, this would leave a modest cushion of \$300 million between the estimated need and the total cap. This excess is quite small when we take the range of possible fluctuations into account.

I would like to address another key issue that has been debated at length. That is the issue of incrementality.

The question has been raised as to whether these loans are well targeted or would they have been made by the financial institutions even without the SBLA program. There is no doubt that some loans have been guaranteed which might have been made otherwise.

The SBLA provides an insurance program against default, not a spending program. Under it, private sector lending institutions assess businesses and make loans. The federal government then stands behind the defaulted loans by paying 85% of losses on SBLA registered loans.

Like many other insurance programs, the SBLA pools risk across thousands of users. This of course diminishes risk; however it does not eliminate it for SBLA lenders. The applicants to which the banks made loans under the SBLA are otherwise creditworthy but tend to be start up companies or firms with low capitalized assets.

As with insurance of any kind, there are likely to be some loans that actually do not need insurance. For the most part these are loans that are less likely to default and therefore they do not cost the taxpayer. In fact a certain percentage of non-incremental loans actually help make the program affordable and sustainable.

It is extremely relevant to point out that since the government took office we have taken steps to move the program toward cost recovery. Since 1995, firms that benefit from the SBLA must pay fees that are designed to recover the cost of loans claims. Therefore any business that uses the program even if it does not need the SBLA loss insurance is in effect sharing the risk of lending to small businesses which need the program.

Industry Canada will be tracking this issue closely to measure the effect of user fees on the incrementality of the program. In the meantime our comprehensive review will certainly be examining the matter in detail. The comments made by members opposite in this House I am sure will be brought up in the Standing Committee on Industry.

That brings me to a final point. This government has been proactive in working to constantly update and improve the small business loans program.

In addition to the move toward cost recovery, Industry Canada has taken significant administrative steps to improve the efficiency and productivity of the program, such as cutting claims audit times by two-thirds and thereby mitigating costs to taxpayers.

We intend to continue this work under the comprehensive review. The valuable ideas and suggestions of all members of the Standing Committee on Industry will be carefully considering the total review.

In summary I remind hon. members that the statistics indicate the program is working well. It is a good program with broad support among the business community.

In 1995-96 more than 30,000 firms used the SBLA to improve their businesses. They created an estimated 73,000 jobs according to the loan applicants themselves, the people who should know best.

I would also reiterate that Bill C-21 does not make further spending requests. The amended lending ceiling and the one year extension are necessary to continue the valuable loan guarantee program while the comprehensive review takes place.

As I have mentioned over and over, this comprehensive review will be done in an orderly fashion. Hopefully we can get it to the standing committee early this fall.

I do not believe that this House wants to leave our small business community in the lurch by cutting off this very useful and necessary means of access to financing.

For these reasons and for the benefit of Canada's small business community, I would ask all members to support this bill so that we can pass it in the House and forward it on to the Senate. Then we can get on to the comprehensive review as we have discussed over and over in this House.

• (1535)

Mr. John Herron (Fundy—Royal, PC): Mr. Speaker, it is with pleasure that I rise today to debate the conclusion of Bill C-21 which is known as an act to amend the Small Business Loans Act. We found out during the previous debate last month and on review of the auditor general's report that the bill would be better identified as the small business loans act with need of substantial review and improvement.

Government Orders

The bill was labelled by many as a bill that lacked performance indicators and a bill excessively responsive to lending institutions rather than responsive to the lending needs of small business. This legislation has always operated with a sunset clause to ensure periodic review for improvement and assessment on whether the bill is meeting the needs of small business, not merely renewal.

On our assessment as well as the auditor general's, the bill is in need of improvement and the return to its original focus. This government has yet to make up its mind on what it wants to do with the act in the first place. As a result of its indecision it has requested that Parliament renew the act as is for another calendar year while it continues to review the program.

It is with regret that we support this legislation only because without it as of March 31, 1998 the current lending period would cease and SMEs, small and medium enterprises, would not have access to capital under the SBLA, the Small Business Loans Act.

However this government should not expect the support of my caucus colleagues or for that matter the small business sector unless this government begins to review, improve and update this act to ensure that appropriate access to capital is afforded to the real engine of job creation, that being the small business sector of this country.

I would hate to sound cynical but I am really worried given this government's reluctance to establish specific debt reduction targets. As well as its reluctance to reduce taxation, broad based tax reduction for both consumers and small business, the government's plan to create more small business is to continue to tax us to death so that more large and medium size businesses become small companies.

The government has missed a real opportunity to show SMEs that they are indeed serious about the concerns that SMEs face today. In fact they are not alone as the auditor general has pointed out in his recent report on this piece of legislation. In section 29.87 he states that new lending under the program will end as of the 31st of March, 1998 unless the government decides to renew it.

This presents an excellent opportunity to review the program's contribution to filling current financing gaps and stimulating economic growth and creating jobs. The auditor general goes on to say the review would also enable Industry Canada to assess whether the program meets the needs of the small business sector in a rapidly changing economy.

We should not have wasted this opportunity to improve the act. This government was criticized for the very fact that this red book promise was broken by its own rank and file in the preamble to a priority resolution at the October 1996 convention: "The banks and other financial institutions have not yet taken any concrete steps to

alleviate the hardships faced by the small and medium sized firms in obtaining investment capital". Those are the words of the Liberal Party of Canada, not ours.

In my previous statement at second reading, I outlined a number of observations and recommendations within the Report of the Auditor General. I was pleased to hear during the debate that the industry minister agrees with the observations of the auditor general's report. I would like to take this opportunity to reiterate the minister's statements.

The minister stated "The auditor general's report would be a very useful tool as we review the SBLA and design ways to make the Small Business Loans Act even better in the future. A one year extension of the act will provide the time needed to complete the review of the program".

Before we further discuss the necessary initiatives required to improve this bill, it would be useful for us to remind ourselves, in particular those on the opposite side of the floor, the impact the small business sector has.

● (1540)

More than 98% of all businesses in Canada are small businesses with employees of less than 50 in number. Half of Canada's workforce is employed by the small business sector. It is widely recognized that the small business sector has had the greater proportion of new job creation in recent years, as the auditor general pointed out.

Small businesses play a very significant role in our economy. They are the heart of economic activity and community development. In addition they sometimes develop into large firms of the future, as long as they are not taxed to death and there is more disposable income in Canadians' pockets.

Small businesses contribute 43% of Canada's private sector economic output. With this in mind it is imperative that as legislators we ensure that small businesses have access to reasonable financing to ensure the growth of this critical sector of our economy.

As the minister stated, the original Small Business Loans Act was introduced in 1961, as I said before, even before I was born. However since then the objective and the focus of the bill has been greatly distorted. The bill no longer serves as a loan guarantee for small business; rather it serves as a loan guarantee program for banks.

The intent of the act was simple: to provide small business with access to capital for loan requirements that would not be considered under normal lending circumstances. The federal government would in turn guarantee these incremental loans. That is the issue in play here, it is a loan guarantee for incremental loans.

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Over the years nearly 40% of the loans that fall under the SBLA are loans that would be granted anyway by lending institutions. Those are not my words, they are the words of the auditor general.

The original intent of the legislation was to ensure that incremental loans to small business were approved in exchange for the business sector being willing to pay a higher rate of interest and even a fee for the access to incremental financing.

As mentioned, the two amendments we voted on just the other day relate to the continuation of the bill as well as to increase the ceiling of the total amount of the loans from \$14 billion to \$15 billion. Four times the federal government has had to increase the ceiling on the total amount of loans. One would think with this kind of exponential increase that small business would actually have access to financing and that small business financing would no longer be a problem. I know the member for Kings—Hants would actually put that logic into play.

However, I would like to state to my colleague that the Canadian Federation of Independent Business stated that the rejection rate of loan requests was actually 2% higher in 1997 than it was in 1987. Who was in government in 1987? It was the Progressive Conservative Party of Canada.

The CFIB also indicated that 29% of business owners surveyed in 1997 said that availability of credit is still the most serious business concern they have. This is double the concern they expressed in the late 1980s, according to the CFIB. These are not just my words.

I challenge the government to return to the original intent of the SBLA in providing incremental financing to small business when they re-enter the bill as the Progressive Conservative Party advocates, as do the CFIB and the auditor general.

The overall theme of the auditor general's report and my principal concern is that Industry Canada does not have the performance indicators and benchmarks to properly assess whether the act is actually accomplishing its original objective, that of providing incremental financing.

The program's *raison d'être* is to help fill existing financing gaps for business. Without true financial support and adequate financing for growth of our small business sector, growth will be stunted within our economy and the future prosperity of Canada can be threatened.

As I earlier indicated, the principal problem with the act is that it lacks clear objectives and performance indicators and benchmarks to measure the success and effectiveness of the legislation. The government could benefit from the old adage, what gets measured gets done.

As I stated earlier, the bill was first passed in 1961 yet the type of business that would likely have been started back then was either retail based or perhaps light manufacturing. The Canadian economy has greatly changed over that period of time. Now we have different sectors such as the service sector, the knowledge and information sector which form a much greater part of the economy today, with the latter sector having a high net employment growth. It is imperative that when the act is reviewed the government ensures there are innovative solutions and commitments from lenders that address this need.

• (1545)

The greatest concern that we have today is that the original intent of the program was to provide incremental financing and access to capital to start-up ventures or small firms that would not otherwise have been granted a loan from today's lending regulations. The relative size of the loans was intended to be small so borrowers could handle a higher rate or a fee in exchange for a loan that did not tie up their leverage of their personal guarantee.

The result today is that given the expansion of the program it is now beginning to displace traditional lending rather than enhancing marginal loan volumes and filling gaps where small venture loans are required. Given that 90% of the loan was to be guaranteed, the lending institution would then consider engaging in that loan.

Now we are getting to a situation, instead of having small size loans, where some of the loans are actually teetering on over a quarter of a million dollars. I am not advocating that we necessarily hamstring the SBLA in terms of actually having a smaller cap, but the emphasis has to be on more marginal financing, incremental financing, as opposed to getting into these larger type loans. At the end of the day these are the kinds of loans the banking institutions would actually approve.

I will take this opportunity to discuss a lot of other things which affect the small business sector and the SBLA. Unlike the Reform Party yesterday, I am not necessarily interested in tying up a entire day of speaking time on an issue. I would rather talk about issues that Canadians are actually concerned about.

I want to talk about small business. One of the Reform Party's founding principles is its members are here to represent their constituents. If one asks the CFIB whether the small business sector likes the SBLA, it will state it is a program it is very much aware of. It believes it is key to financing within the small business. It is very important. This is whether you are in Atlantic Canada, Quebec, Ontario or the west.

If the Reform Party is truly representing its constituents I suggest it actually votes for the SBLA amendment tonight so we

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can continue on with the process of this bill. Otherwise one of its founding principles of representing its constituents has been thrown to the wayside.

There are some other initiatives in terms of what this government has to do in order to make the small business sector more competitive. The Canadian economy is very overtaxed. After the budget was tabled the Canadian Chamber of Commerce tabled a press release in response to the budget. In the press release it challenged the government to draw up a detailed fiscal framework for the new millennium based on clear criteria for growth, competitiveness and opportunity rather than arbitrary commitment to allocate half the surplus to spending and half to debt.

The small business sector is still way overtaxed. In our election campaign we wanted to move the small business tax rate from 12% down to 8% which would make some marginal business plans into more profitable business plans and actually put more money back into small business pockets.

• (1550)

We need to lower EI premiums for small businesses. Right now the EI program has a \$7 billion surplus annually which actually belongs in the pockets of employees and employers. What this actually does is taxes every new job is created.

In this same communique the Canadian Chamber of Commerce stated that if the EI premium were reduced to \$1.95 instead of the present \$2.70 per \$100 of insurable earnings, every medium size company across Canada would be able to hire at least one additional person.

We know that all taxes kill jobs but payroll taxes at the end of the day are actually more punitive than any other tax initiative.

What we challenge this government to do, when it is reviewing the SBLA, is to review all the issues that affect the small business sector. People may ask if the fund is sustainable if we lower the EI premium from \$2.70 down to \$2.00. The chief actuary for the government stated that if it were lowered from \$2.70 down to \$2.00 it would be able to withstand a severe recession. That is an initiative that the Progressive Conservative Party clearly advocates.

We also know that the only economies which have any kind of consistent growth are those economies that have less debt and less tax. In order to reduce the overall tax burden of our country, we need to lower the debt. That is why the Progressive Conservative Party advocates lowering the debt to 60% of GDP by the year 2000 and to 50% by the year 2005. It goes back to my adage of what gets measured gets done. By saying we will put half on new spending, half on new debt and half split between debt and tax reduction, at the end of the day I get very worried about that. Canada will not

have a surplus if that kind of approach is taken because at the end of the day we will end up spending it.

We need less debt and taxes. We recently had a budget where the government raised the personal exemption from \$6,500 to \$7,000. That took 400,000 Canadians off the tax rolls who should not have been there in the first place. What we advocate is that is not nearly enough. We want to raise the personal exemption to \$10,000 which would take two million Canadians off the tax rolls overnight who simply should not have been there in the first place.

Budgets are more than just about numbers. They are about values we share as a nation. By that I mean that it is very troublesome from the standpoint that we actually tax individuals who earn \$14,000 less than the poverty line.

We challenge this government to develop a plan for growth in this country based on less debt, less tax and putting more disposable income back into the pockets of Canadians.

Mr. Speaker, I know as the fiscal conservative that you are, you can actually understand that Canadians are poorer today than they were approximately eight years ago. I know the hon. members over here will understand that the disposable incomes of Canadians has gone down 6% since 1990.

• (1555)

We need to ensure that we put more disposable income back into Canadians' pockets so that more individuals can have an opportunity to participate in the economy in general. The only way to do that is to provide Canadians with broad based tax relief.

It is with regret that we are voting for a bill because the government did not take advantage of the last five years to seriously look at the SBLA.

The government knew it had to be reviewed, but all of a sudden it came to a stage and said "oops, the bill is coming up for renewal, what are we going to do about it?" Instead it said it would wait for the report of the auditor general.

I find this kind of perplexing because yesterday the finance minister wrote a letter to the auditor general saying that they are not so keen on some of his work. On the other hand right now, they are saying they want to wait for the report of the auditor general.

The member for Kings—Hants made a comment that I will address later. What I am trying to say is that if there is one credo this government can be described by, it is that sometimes it makes it up as it goes.

This Small Business Loans Act really is an example of that. It is oops, do you mean we actually have to review a bill? What we are going to do is ask for another year.

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I believe that the government, in good faith, is going to take a serious look at the auditor general's report and act on some of those initiatives as opposed to making it up as it goes. We saw that in Kyoto. Sadly, we also saw it in the unity issue in 1995 during the referendum.

We need more planning and less improvization. We also saw it again with a provocative approach regarding the supreme court reference. It comes down to exactly what the member for Kings—Hants states, brinksmanship.

The supreme court reference kicks a hornets nest. It does not tell us anything that we do not know. The government has chosen to play Lucien Bouchard's game of getting this kind of issue back on the national agenda.

The reason the government is doing that in the absence of plan A is that it tried to come up with a kind of plan B. There is no such thing as plan B. There is no Canada unless we have our territories and all 10 provinces.

I challenge this government to do two things. The first is to develop an approach or a plan for growth for our country based on less debt, fewer taxes, more disposable income into Canadians' pockets so that more Canadians can participate in the economy.

Second, have more planning and less improvization as we saw in Kyoto, as we saw in the unity issue and as we see here in the SBLA or even in the postal strike.

I am looking forward to the bill being tabled in its new form in the coming days.

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COMMITTEES OF THE HOUSE

TRANSPORT

Mr. Bob Kilger (Stormont—Dundas, Lib.): Mr. Speaker, I rise on a point of order. There have been discussions among representatives of all parties on a matter of authorization to travel. I wonder if you might seek the unanimous consent of the House for the following motion. I move:

That the members of the Standing Committee on Transport and the necessary staff be authorized to travel to Europe from April 20 to 27, 1998 to gather information in relation to their study on the national passenger rail system.

(Motion agreed to)

* * *

• (1600)

SMALL BUSINESS LOANS ACT

The House resumed consideration of the motion that Bill C-21, an act to amend the Small Business Loans Act, be read the third time and passed.

Mr. Rob Anders (Calgary West, Ref.): Mr. Speaker, why is it so rare for a government program to shrink as opposed to grow? I have only been here a short while. I am tender in my years. Some would say that I am chronologically challenged. However, having been here for as long as I have, I have noticed that things rarely tend to shrink around this place. They generally tend to get bigger as opposed to getting smaller. That is exactly the case with the Small Business Loans Act which we are debating today.

I ask myself why that is. I look at the department which I critique. It is a \$57 billion monster that started off very small, but then grew and grew over time to become the biggest department in government. The Department of Human Resources Development now has a budget of \$57 billion. It is the biggest monstrosity of a department there is within the federal government.

We could document this process with other departments, but let us take a curious look at what has happened with the Small Business Loans Act.

First, the government started with the intention that small businesses in Canada are a major job engine and that they should be helped. Everybody agrees that small businesses are a job engine in this country, but let us look at what type of help the government has actually stepped in with, at what benefit its intrusion has provided.

We always ask the question: Who wants it? Do they actually want the help? There are many small business owners in this Chamber. Mr. Speaker, you may be one of them. If we were to ask small businesses what—

An hon. member: He makes bread.

Mr. Rob Anders: That's right. Making bread is a good idea. There is nothing wrong with making bread. Bread is not a dirty word.

We ask ourselves if small businesses want the Small Business Loans Act.

I asked some of my friends who I went to high school with about this. I will tell the story of Mike Nyhus, a fellow who I went to high school with. He started a very successful construction company. Mike was never a Reformer when we attended high school together, but he has changed because he is now out in the workforce making money and paying other people's salaries.

I asked Mike how we could change things to make them better for him so he could employ more people. He told me that his biggest problem was the red tape and the administrative nightmare he has as a small business person. He said that his biggest problems were looking after the GST and all the paperwork, as well as the payroll taxes, including the Canada pension plan and employment insurance.

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The last time I heard word of him, Mike said that he could hire five people, but he did not do that. His business could afford to hire five more people, but he said that the administrative nightmare was preventing him from hiring them for his business in my riding of Calgary West.

When I look at that I say shame on the government. Its whole idea behind this is that it can toss more money at a problem and make it go away. That is exactly what it wants to do with Bill C-21. The government hopes that by increasing the taxpayer liability from \$14 billion to \$15 billion it will magically create more jobs and help taxpayers and small businesses.

If we look to the businesses that this loans program is aimed at, 40% of the businesses that receive loan guarantees under the Small Business Loans Act actually did not need to have the loan guarantees.

An hon. member: Do you mean it's a subsidy?

Mr. Rob Anders: It's a subsidy. That's right. I hear other members across the way and within the Chamber who are finally realizing that this is actually a subsidy. I thank other members for pointing this out, for noting it and for being concerned.

It is actually a subsidy. They do not actually need it. It is a case of profitable companies which could go ahead and find the resources and the guarantees they need through other mechanisms. They are getting these things and they do not actually need them. Government is trying to solve a problem where a problem does not exist.

The real problem is that small businesses have an administrative nightmare, red tape, payroll taxes and high taxes generally which prevent them from hiring more people. That is the obstacle to more jobs in this country.

I remember during the last election campaign that I heard "jobs, jobs, jobs" from the Liberals.

• (1605)

I was a young lad at the time of the 1993 election, but if I think back I heard something then, and it was jobs, jobs, jobs. If I think about it again—

An hon. member: They said that for two elections?

Mr. Rob Anders: The member is right. It was the same people. It was the Liberals. They said jobs, jobs, jobs in both elections. Yet, instead of creating jobs, instead of actually lowering EI premiums in this country—and I would like to point this out because I am getting some cat calls from across the way—

An hon. member: A million new jobs. We gave you a job.

Mr. Rob Anders: That's right. I am going to stick it on him, because it looks good on him.

The Liberals have milked \$14 billion out of businesses in this country in overpayments on EI. As a matter of fact, if we take how much Albertans overpay in EI taxes—and I want Mike Nyhus and other people in Calgary West to pay attention—they are paying \$833 million more per year than they are actually collecting in EI premiums. That is their overcontribution. It is not how much they are paying.

If we broke that down for every single worker in Alberta, which has a workforce of roughly one million people in a province of about two and a half million to three million people, it represents about \$833 per individual. Everyone who is working in the Alberta workforce is being milked hard by this government by over contributing to employment insurance. That is what this is coming down to.

Instead of giving taxpayers \$1 billion in liability in the Small Business Loans Act, creating a bigger hole in my pocket, a bigger hole in my wallet, creating more administration and giving out more loans and loan guarantees to businesses that do not actually need loan guarantees, why does the government not do what businesses are calling for and cut EI premiums, cut CPP taxes, cut taxes generally and help businesses that way? That is what businesses are calling out for. It is not just me. I am not delusional over here.

The Canadian Federation of Independent Business, a business lobby group, an organization that represents small businesses in this country, is calling for these changes. It is calling for a lowering of taxes. It is not just me calling on this side of the House, it is the CFIB which represents businesses from coast to coast to coast in this country which is calling for those reforms.

There is also another fundamental question. One of the first questions I asked was: Why is it so rare for a government program to shrink? The other question I asked was: Who wants it? Not the small businesses. Forty per cent of them are eligible to get loans in other places and do not need the loan guarantees. The government is trying to solve a problem that does not need to be solved for those businesses. It basically amounts to a business subsidy.

The third question is: Who is going to pay for it? This is the real travesty. Other businesses are going to have to pay for this increase in taxpayer liability to help out their competitors.

Why is the government always meddling in banking like this?

I am going to tell members another story because the government needs to know some of its other foibles. If it knew more it might not pass these things.

The Federal Business Development Bank has billions of dollars in assets. Once again, when it first started this noble concept, the concept that warmed the cockles of the government's heart, it was to help invigorate and open new businesses and set up avant-garde

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enterprises. It would be the cutting edge. But politics got in the way. It realized that it actually had to make safe investments. As a matter of fact, it started making safer investments than what the chartered banks in this country make. Why? Because it was worried about the political ramifications, that it would be smeared with making bad loans. Goodness knows, the government has all sorts of experience in making bad loans. It would not want any more of that, would it?

There are billions of dollars of taxpayers' assets with the Federal Business Development Bank. What does it do? It intrudes into what other private sector institutions would be able to lend out. It goes ahead and takes taxpayers' money, sweat-soaked dollars, and it gives it out to businesses through the Federal Business Development Bank. It is intruding on loans that private sector institutions, the chartered banks in this country, would be able to make. It is so conservative with its loans that it does not come close to serving the original mandate of giving out that money to entrepreneurial, avant-garde, cutting edge businesses.

• (1610)

Once again, who is going to pay for it? The businesses that receive these loans are going to be subsidized by their competitors who are paying these high taxes and they themselves, if they become profitable, will be the ones who will be anteing up money for this poncy scheme. It is a joke.

We have asked four questions. Surely if I was to ask five or six questions the government would tuck its tail between its legs, walk out of this place and forget that Bill C-21 was ever raised in the House.

But I am going to press on. I am going to hope.

Question number five is: Does it actually solve the problem? No, it does not. If the problem is that there are not enough jobs in the country, then surely Bill C-21 is not going to solve the question of the high unemployment rates this government has been pregnant with for all of its time in office, after promising jobs, jobs, jobs. No, it has not realized the problem.

The problem is that it has this red tape, this bureaucracy and high taxes. Even its own members have admitted that taxes are too high in the country. It hushes it up now, pulls its foot out of its mouth and buries it. But, indeed, people across the way admit that taxes are too high in the country. The Liberals know it and they know they should be lowering taxes.

I wish, I pray, that during my time in the House I will see it happen in a real substantive way, as opposed to seeing just lip service.

Does it solve the problem? No, it does not solve the problem. The government is not creating more jobs by going ahead with this. Indeed, it overinflates. This is not the first time. It is not the only time and it probably will not be the last, sadly enough. But it

overinflates for every single job that may be created as a result of the Small Business Loans Act.

If I have to come down to trusting the credibility of the auditor general or the credibility of the government, some of its spokespeople and ministers on this subject, I will take that of the auditor general. Call me a skeptic, but I will trust the auditor general before I will trust the government.

Even the auditor general admits that the government over reports the success five times, not twice. For every single job created it reports five. That is how embarrassing the track record is. It over reports five times the success of any type of job creation program.

That was question number five.

Surely by now the government argument on Bill C-21 is full of holes and the taxpayer will have to pay more money. All of this is bleedingly obvious, but I am going to go on to point number six. This one will severely Swiss cheese the government's argument.

Question number six is: Would it pass the judgment of fellow businesses? Once again we look at the CFIB survey of businesses in the country. The CFIB is not calling for an expansion of the Small Business Loans Act or a hike in CPP premiums. That federation is not calling for the government to continue taking \$7 billion a year more in employment insurance contributions than it needs. The CFIB is not asking for more regulation. It is not asking for the 38 tax increases brought in since this government came to office in 1993. The CFIB is not begging and pleading for any of those things, yet the government keeps on delivering.

The federation is asking for a cut in EI premiums. It is asking for a cut in taxes that is long overdue and well deserved. That is what it wants. That is what will pass the judgment of fellow Canadians and fellow businesses. That is what is going to create jobs. That is what will deliver on Liberal election promises, instead of the pandering and dribbling and "drabbling" out. That is where the real success story lies.

Shame on the government. By increasing the liability for taxpayers with Bill C-21 the government is not solving the problem which it intends to solve. It is not speaking to the issues it would love to actually be able to say it is addressing. It is actually creating a higher, larger liability for taxpayers. It is growing a government program and it is not doing the service it should be doing for Canadian taxpayers. Shame on it. Bill C-21 should go back to the drawing board and be reformed. Shame on the Liberals.

• (1615)

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, it is my turn to take part in the debate at third reading on Bill C-21, an act to amend the Small Business Loans Act. This is the final debate before the vote that will allow us to dispose of this bill.

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This is a relatively brief bill, containing only two clauses. What do these two clauses say? First, that the existing legislation, which would normally cease to apply on March 31 of this year, should be extended for one year. Second, that an additional \$1 billion should be made available for other loans.

The auditor general reported on this and we read his remarks very carefully. He suggests changes, and I will come back to this a bit later on.

An in-depth review of the program is required. The Minister of Industry undertook to have one carried out, so that it would not be necessary, as in other years, including last year, to come back to the House each time in order to add another \$1 billion and to extend the existing program for another year. The Minister of Industry agreed to allow the Standing Committee on Industry and experts from the department to review the program.

I hope that the business community, people representing SMBs in all sectors of Canada, will be consulted, and that people from Quebec and elsewhere will be able to come and testify.

We have already heard from the Canadian Bankers Association and the Canadian Federation of Independent Business. These organizations recommend a formal review of this program. It will soon be the year 2000. As everyone knows, the economy is in full transition and, unfortunately, the transitions are occurring with greater frequency.

In the past, we saw transitions perhaps every 25 years. Now, economic cycles are much shorter in length, seven years they say. In the era of globalization, high tech equipment, and so on, people are realizing that SMBs are undergoing transitions even more frequently.

The questions asked by the auditor general are extremely important ones. Of course he wants to see more control over what it costs the government to compensate lenders, because a certain number of borrowers, approximately 5% when it comes to small and medium-sized businesses, do not pay back their loans. The auditor general feels that the auditing procedures for these requests for compensation must be tightened up.

He also says that the interest the government would have to pay on compensation must be reduced to a minimum. This needs to be reviewed. I would point out that, with respect to student loans, the Quebec Minister of Education tried to avoid taking anything for granted and decided to renew annually all procedures and mechanisms relating to loans from the caisses populaires and the banks. He succeeded in the end in saving money.

I believe there is always a way for governments to save money, and this money of course belongs to the taxpayers.

In my opinion, the most important element in what the auditor general says is that there must be a more stringent assessment of the program's impact on job creation.

• (1620)

Those who have spoken before me have addressed this point a little, but I would like to take a different tack than the Reform member. I feel this review is worth a serious effort. In the final analysis, if we want small businesses to have access to guaranteed loans, we must remember that what everyone really wants is to see as many jobs created as possible.

The jobs created must be quality jobs. It is all very fine to create jobs, but the statistics are often misleading or incomplete. The type of jobs created, the salary, and whether these are permanent or part time jobs must all be looked into.

We also have to consider whether these jobs are in sectors that will last, because, as you know, a lot of small businesses are failing. Most bankruptcies occur in the first year of business. However, in 75% or 80% of the cases, they happen within the first three years. This is where we must pay particular attention.

Given all the good that this bill can do for business, and I think we must not lose sight of this fact, we are obliged to support it. In the past fiscal year, 34,000 SMBs across Canada benefited from the program. This means that over \$2 billion in loans were guaranteed by the government, including \$732 million for businesses in Quebec.

How was this \$732 million distributed? The caisses populaires loaned out \$321 million of it, while the other banking institutions in Quebec provided \$385 million. For Canada as a whole, the 34,000 SMBs created, according to the inadequate figures available, 73,000 jobs, of which an estimated 25,000, at least, were in Quebec.

So this is why we in the Bloc Québécois feel obliged to support this measure. If the bill is not passed by April 1, we could not use it to help small and medium size businesses.

I will digress a bit further here. In 1995, the figures showed that SMBs contributed 43% of Canada's economic activity. That same year, in Quebec, 45% of all jobs, not just the new ones, depended on SMBs. So they account for nearly half of the jobs in business.

We often think that big business creates jobs, but we note—and this is true in all countries, all the OECD reports confirm it—that big business is no longer really creating jobs. It creates some, but others are lost. Often government efforts, and this is true for a business in my riding in Quebec, are aimed at maintaining jobs. Frito-Lay is one example, and there are many others.

On the subject of big business, the challenge is not to create jobs, but to maintain existing ones. The Lévis shipyards come to mind. Barely seven or eight years ago, when things were really booming,

2,500 people worked there. Now they have a hard time keeping 500 to 700 people employed. So SMBs are an area for the future and where most of the jobs are created.

They often represent the only option for someone without a job, who is unable to find one in the public service. We know that neither the federal nor the provincial public service creates jobs anymore. So SMBs are the only option for young people or those who have experience in the labour market, but find themselves unemployed.

• (1625)

I heard the Reform member criticize the Minister of Human Resources Development. But some good came out of the program, including the SEA initiative, the self-employment assistance program, which helped many jobless people, for a period of up to a year, set up their own businesses. Many of these businesses survived. If these people had not set up such businesses, they would have remained unemployed.

We must do our utmost to help them. I do not doubt that all the members here, from all parties, can work so that, in the end, the largest possible number of jobs will be created. The Liberals even made job creation their slogan in 1993, with their “jobs, jobs, jobs”. As we saw, their approach was based on macroeconomics, in that they concentrated on economic indicators and let things sort themselves out.

Contrary to that approach, I think governments still have a very specific role to play to help businesses create jobs. At the same time, we must be careful and make sure public funds are not wasted. The fact is that setting up a business is risky. This basic program allows thousands of businesses to take the necessary risks to create jobs. Members of this House can never make job creation too much of an obsession, too much of a daily concern.

I see that I have some time left. When we review the program, we will have to see which sectors are doing best, which ones are providing quality employment.

For example, in the Quebec City region, socio-economic stakeholders noticed that the number of jobs in the public service was the same, because of a freeze, if not diminishing. This led a number of them to try to devise a strategy geared to the new economy. I want to point out in particular the efforts of the technological park, in Sainte-Foy. There are also other sectors in the Quebec City region that are interested in developing projects that will create quality employment.

I can never repeat it too often: there are sectors where investing makes less and less sense. In the context of globalization, our businesses must be the best in the world, if they are to survive. They must also be in fields that have a promising future.

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I will conclude by saying that Bloc Québécois members will support the bill at third reading, because until a more comprehensive reform is done, it is the only way that other businesses can get a loan from banking institutions in the next fiscal year.

[*English*]

The Acting Speaker (Mr. McClelland): Order, please. Before we go to questions and comments, it is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Halifax West—Immigration; the hon. member for Dartmouth—Post-Secondary Education; the hon. member for Verchères—INARI; the hon. member for Kamloops—Child Poverty.

Mr. Walt Lastewka (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I listened very carefully to the member opposite. I have one question to ask him.

The member emphasized how jobs are changing and how important it will be during the comprehensive study to understand who is creating jobs and what the future will be.

• (1630)

Would the member agree that passing this bill and then spending extra time on the comprehensive review taking into account the auditor general's report will be helpful to all of us in the House as we discuss this bill in committee and take our time to establish the new SBLA for the future?

[*Translation*]

Mr. Antoine Dubé: Mr. Speaker, the hon. member said he agreed with what I said. It is hard to say anything more, except perhaps to add that, while sovereignists, the members of the Bloc Québécois make a full contribution to parliamentary committees, including the Standing Committee on Industry.

In that particular case, we make as positive a contribution as possible because, as long as Quebec remains part of the federal system and Quebecers pay their share of taxes to the federal government, we are perfectly justified in taking advantage of this process, since it benefits Quebec businesses.

Of course we feel the Quebec government and every region in Quebec should be involved. There are 16 economic regions in Quebec and each has a separate strategic plan. Realities vary from one region to the next, be it geographical realities, distance or what not. Some natural resources may also be found in one region but not in others. Hence the need for regional microeconomics.

This bill dealing with small business loans of up to \$250,000 directly concerns the type of businesses we find in all regions of Canada. This is a basic program but it should be pointed out that similar programs already exist in Quebec. Take the FTQ workers' fund for example. This is a Quebec initiative, which the CNTU

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recently imitated. Funds are generated to help small and medium size businesses and promote their sustainability. This also allows for the establishment of new businesses.

Consideration in committee of this bill should focus on assessing existing programs at other levels to make sure they are complementary and useful. Other programs will need to be created.

Entrepreneurs often come to see me at my office. They tell me there is not always enough time to compare the benefits of all the programs available. I was told—and did not get a chance to check—that credit and loans are available from at least 50 sources. Checking them all is a time-consuming process. I think it should be simplified.

This is a time when the federal government should work in co-operation with provincial governments to prevent duplication and competition. This would allow us to develop business assistance programs that meet the particular needs of businesses in a given region.

[English]

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

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

• (1635)

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

Some hon. members: Nay.

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

And more than five members having risen:

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

And the bells having rung:

The Acting Speaker (Mr. McClelland): I have been requested by the government whip to defer the vote. Accordingly the vote stands deferred.

[Translation]

CANADIAN PARKS AGENCY ACT

Hon. Andy Mitchell (for the Minister of Canadian Heritage) moved that Bill C-29, an act to establish the Canadian Parks Agency and to amend other Acts as a consequence, be read the second time and referred to a committee.

He said: Mr. Speaker, I am pleased to rise in this House today on the occasion of this second reading of Bill C-29, an act to establish the Canadian Parks Agency and to amend other Acts as a consequence.

[English]

I can certainly say on behalf of the Minister of Canadian Heritage and on behalf of myself and all Canadians that we take great pride in our national parks system, in our national historic sites and those other special places that we protect and for which we provide stewardship.

The proposal of Bill C-29, the development of the Canadian parks agency, is indeed a type of new beginning. We have had as part of the Department of Canadian Heritage, as part of the Department of Environment before that and as part of the Department of Indian Affairs before that, Parks Canada. Over those years the men and women who have worked in that department have done an excellent job in protecting our special places in ensuring that our special places are there for the benefit of Canadians.

There is a need to bring certainty and permanency to that organization so we can move into the future reflecting the realities of the 1990s and making sure that we are prepared to deal with the challenges of the 21st century. That is what developing and producing a Canadian parks agency is all about.

In my comments today it is my intent to talk about why we are developing an agency and what we have done so far in terms of consulting and talking to Canadians about how we should approach this issue. I am going to talk about some of the components of the legislation which is before the House today.

My connection to parks and our other special places has certainly preceded my time as Secretary of State for Parks and the time before I became a member of this House.

In my riding of Parry Sound—Muskoka we are pleased to host the smallest geographic national park in the system, Georgian Bay Island National Park which is in the southern end of my riding. I and all of my constituents take great pride in that facility and what the men and women who run that facility have accomplished and the thousands of visitors who come to that area.

In my own hometown of Gravenhurst we have the birthplace of Dr. Norman Bethune as a national historic site where we recognize the achievements of one of our most famous Canadians. Also as part of my riding and making up part of the southern boundary is the Trent-Severn Waterway one of the historic waterways which is administered by Parks Canada.

• (1640)

Beyond this hometown experience I have been able to build on my appreciation of what Parks Canada has done in the past. I have had an opportunity to talk to Canadians from coast to coast to coast this past year. We consulted with large numbers of stakeholders and employees about the proposed Canadian parks agency. In doing so, I have come to appreciate even more the importance of these special places, the importance of how Canadians view our national parks, how they view our historic sites and all of the other special places.

As I deal with the ongoing files that are part of the administration of Parks Canada, I see on a day to day basis why it is that Canadians place a high value on our national parks and historic sites. I have come to learn and to understand why our national parks are the third most recognized symbol of Canadians. It is because of the importance and the special place they have in our nation and the special place in which Canadians hold them in their hearts.

This agency is going to allow us to produce an organization that will be able to achieve our two primary mandates. The first is to ensure that Canadians have an opportunity to enjoy our national parks and other special places today, so that they can learn about our history, so they can learn about our heritage and experience the very specialness that is uniquely Canadian. That is indeed our mandate and this agency will allow us to carry it out.

It will also allow us to carry out our second fundamental mandate which is to ensure that Canadians of future generations, Canadians of the 21st century and beyond will be able to enjoy those special sites as well. It is an obligation we take seriously as a government and which I believe Canadians take seriously as a nation to ensure that we can pass on those assets in an unimpaired way to future generations.

With this legislation we are going to be developing an organization that will be designed in a way that will allow us to deal with the economic realities of the 1990s. It will allow us to organize ourselves efficiently so that we can meet the challenges and we can do our job, do it effectively and do it with less financial resources. We are going to create with this agency an establishment that will provide our employees with the tools they need to be more efficient and more creative in doing their jobs.

[Translation]

In the 1996 budget, the Government of Canada announced its intention to create the Canadian Parks Agency. Two rounds of

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consultations ensued in the months that followed, at the request of the Minister of Canadian Heritage.

[English]

Indeed we undertook that consultation with the belief that we had to include a wide range of Canadians. We ensured that the various stakeholders who have an interest in our national parks and those individuals who work within our national parks and other special places had an opportunity to talk to us and provide us with some of the important ideas and components on how we should proceed in creating this agency.

During the last two years there have been two rounds of consultations. Over 150 stakeholders have provided testimony. In addition over 300 of our staff have had an opportunity to provide direct input to us on what they believe should be part of this agency.

As I mentioned earlier we took the opportunity to go across Canada. We took the opportunity to hear Canadians in Atlantic Canada, Canadians on the west coast, Canadians in the Arctic and Canadians in central Canada so that we could have a full understanding of what Canadians in general want to see in this agency.

I want to take this opportunity on behalf of the Minister of Canadian Heritage and myself to thank all of those employees and stakeholders who took the time and the opportunity to provide their valuable input. We have listened to what they have had to say. Many of their comments and suggestions have found their way into the legislation before the House today.

• (1645)

What did we hear? We heard a number of very important messages and a number of very important principles which Canadians believe should be in the legislation.

None has been more important than the belief shared by Canadians from coast to coast that the parks portfolio needs to be under public stewardship. Our special places, our parks and national historic sites, are a public trust and public stewardship needs to be exercised in a public way.

I state clearly to the House and to all Canadians who are watching or will be reading this debate that the creation of the Canadian parks agency is the creation of a public agency that is fully accountable to the House and to government.

During our consultations we heard that the public and our employees wanted us to ensure we had a mandate that included firm commitments to ecological and commemorative integrity and that we reinforced the programs we undertake in terms of interpretation and education.

They told us that not only was it important to maintain these special places. It was also important for Canadians to learn about

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them and understand the history. Whether or not Canadians have the opportunity to travel to these locations they can collectively take pride and joy in the reality of these special places.

As we travelled across the country we heard that message over and over again. Let us ensure that Canadians generally have an opportunity to learn about and to experience our national parks and other special places.

They also told us that they wanted to be engaged on an ongoing basis. They did not want the consultation to be a one time opportunity. They generally felt very good that there was a forum in which they could provide the type of input they thought was important in terms of the management of our national parks. In that respect they suggested there should be some sort of permanent structure in place to allow for that input to be ongoing.

In the bill to set up the Canadian park agency we see a call for biennial forums so individuals or groups of Canadians have an opportunity to evaluate the ability of the agency, to measure our performance in fulfilling our mandate and to provide input in terms of whether we have been able to fulfil it in the way they think best.

This is almost unique among government initiatives. We will proactively and on a mandated basis allow Canadians to evaluate the work we will be doing as the Canadian parks agency. It is mandated in our legislation. It is not subject to regulatory change. That is an important component of the bill. It was suggested during our consultations. I am pleased we will be able to move forward with it.

This will be a public organization in terms of its transparency and accountability. The legislation will ensure that there cannot be and will not be any degradation of the roles of parliament, the minister or the government in exercising their stewardship of our special places. Parks and our other special places like historic sites and historic waterways belong to all Canadians and will be managed on behalf of all Canadians by Canadians.

[*Translation*]

With the creation of the Canadian parks agency, we wish to attain four key objectives.

[*English*]

Those four objectives are very important. I will take a moment to summarize them. The Canadian parks agency will be a separate ongoing service organization which, under the direction of parliament and the government, will provide continuity in managing Canada's special places. I emphasize the concept of continuity. One of the challenges those who have spent their careers in parks have had to face is that it has gone from ministry to ministry, from department to department.

• (1650)

With the creation of this service agency we will bring some certainty and some continuity to ensure we will be able to manage our national historic sites and our national parks in a sound ongoing way. I believe this is a very important objective. It will be a very important accomplishment of the legislation when it passes the House.

Also we have as an objective the creation of an organization committed to some very important goals we have established as a government to complete Canada's system of national parks. This is something we have committed ourselves to work toward as we move toward the 21st century. The organization would be committed to expanding the system of national historic sites and to creating and maintaining marine conservation areas.

This is a unique concept, one that we are near the lead in the world. With the creation of marine conservation areas we will translate ecological standards and re-create the work we have done in protecting our terrestrial areas to our marine areas. I look forward later in this session of parliament to tabling legislation which will allow this agency to proceed with that very important task.

The legislation will also create an organization that has the necessary financial and organizational flexibility which empowers our employees to fulfil their mandate in a creative and efficient manner.

As I travelled from coast to coast consulting with our employees I learned how fortunate we are as Canadians to have men and women who have dedicated themselves to careers in Parks Canada. They have dedicated themselves to protecting our special places. They have dedicated themselves to ensuring that Canadians have an opportunity to enjoy our special places and to see what is truly unique about the country.

The legislation will establish an agency as a separate employer or a structure that will allow us to meet the very specific organizational and environmental challenges that are unique to Parks Canada.

We will provide a human resource regime that makes sense for Parks Canada, a human resource regime that understands Parks Canada operates from coast to coast to coast seven days a week, 24 hours a day, in all kinds of geographic and climatic conditions.

We will ensure through the creation of the Canadian parks agency that we have a human resource system which will be able to meet those challenges. We are working at creating that system, not in isolation but in partnership with our employees as we have gone across the country on consultations, in partnership with the unions that represent our employees, and in partnership with the Canadian stakeholders who believe in and about the Canadian parks agency.

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We are working on this group to create a human resource regime. I am pleased the partners have come together over the last few months and are working diligently in creating the type of HR regime that works not only for the agency but for employees within the agency.

[*Translation*]

Now, if I may, I will describe the new agency.

[*English*]

Let me explain for a moment some of the important changes the agency will bring to the operation of our portfolio.

• (1655)

We will be able to flatten the organization. We will go a system where we have a field superintendent who is responsible to the head of the agency, who in turn will be responsible to the minister.

This will allow us to see decisions made far more quickly, more efficiently. Decisions will be made, taking into account local conditions and local challenges. We will provide to our field superintendents increased levels of responsibility so decisions can be taken in a way that reflects the needs of local areas.

The Canadian parks agency will have a number of financial authorities not traditionally associated with government departments. These authorities will allow us to operate in a business-like manner but remembering we are not a business.

We need to operate efficiently but remember that we do things as part of the Canadian parks agency that are not done solely for profit. When we establish a national park in the far north of Canada, we do so because Canadians believe it is important to protect these special places. It is not because we believe we can turn a profit. That is not what we are all about. However, with this agency we have created a number of financial authorities which will allow us to be more efficient in carrying out our tasks.

We will be able to maintain the revenue generated by Parks Canada within the portfolio of the Canadian parks agency. This will allow us additional financial resources that can be used in the creation and expansion of our national parks system and our system of national historic sites.

With the new authorities being granted to this agency we will be able to establish a non-lapsing capital account which will allow us to keep the proceeds from gifts and endowments, or the sale of excess assets such as vehicles or buildings, and use them for investment into new Canadian parks.

This is important. In the past the funds would simply have gone back into the consolidated revenue fund. Under this agency the revenue will be there and available for investments into important

priorities which Canadians place on the shoulders of the Canadian parks agency.

The Canadian parks agency will be working on what we call a two year rolling budget. It will be able to carry forward its budget from one year to the next. No more will we have the scenario, which many of us have seen all too often as we approach the end of the fiscal year, where expenditure decisions are being made not on sound business practice but on the calendar. We will put a system in place by going to a two year rolling budget that will allow our managers in the field to make the best possible decisions in utilizing their budgets.

Something that will be a special authority to the agency and is particularly important, given our mandate in the Canadian parks agency, is the ability to advance funds from appropriations up to a certain limit from future years. If an opportunity presents itself in this fiscal year, for instance to purchase property in terms of establishing a national park, we can do it this year because it makes economic sense, whereas in the next fiscal year it may not. This will give the management team the ability to make decisions based on sound business practices. I am pleased these financial authorities will be granted to the new Canadian parks agency.

As all Canadians want to know—and it is part of our public stewardship—we will continue the use of appropriations as the primary source of funding for the national parks system. Roughly today the split is about 75:25 and that is where we intend to keep it in the foreseeable future.

As I mentioned earlier, one of the specific aspects of the new agency will be the establishment of a separate human resource regime which will allow us to create a structure that reflects the realities we face in the Canadian parks agency, the number of hours our employees work and the types of conditions under which they work, to make sure we have an HR regime that reflects their concerns and their needs. That is one of the things we are doing with this agency.

• (1700)

We are also going to create with the agency an organization that will have a number of simplified processes that will allow decisions to happen more quickly and in a more business-like way. As I mentioned, we will be able to increase the authorities that we are providing to our local field superintendents. We are going to simplify the process by which decisions can take place at the local level. This is important and Canadians will see a direct benefit from this.

One of the things we heard very clearly when we did our national consultation was that Canadians wanted to ensure that this new agency would have ministerial and parliamentary accountability. One of the specific components of this legislation is to ensure that accountability is there. Canadians have said they want to make sure

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they as Canadians have an impact on the stewardship of our special places. The accountability processes that this legislation brings forth will certainly allow that to happen.

As I believe this position of accountability is a very critical point, I am going to take a moment to review a couple of the processes this legislation brings forth to ensure accountability. First, in terms of the minister responsible, the Minister of Canadian Heritage, that cabinet position will continue to have responsibility for developing and seeking approval from cabinet for broad policy issues. It will remain accountable to the public and remain within government.

In addition, the minister will approve the guiding principles and policies under which the new Canadian parks agency will operate.

Each one of our national parks today and, under this legislation, each one of our national historic sites will require the development of a five year management plan which will be approved by the minister and tabled in this House in order to allow parliamentarians to be part of that review.

The minister will be recommending the corporate plan to Treasury Board and approving an annual report which will detail how we managed to fulfil our objectives that we established in the previous year. The minister will be approving the state of the parks report which will become a much broader report to include the ecological integrity of all the special places that we manage.

The minister will be responsible for fixing and establishing fees that will be charged at our national parks.

In terms of talking about the creation of a new HR regime, every five years the minister will be tabling a summary report on how the human resources regime supports the values established within government to management our human resources within the agency.

Beyond just ministerial accountability, this legislation builds in accountability that Parliament itself will have an opportunity and an obligation to exercise. As is the case now, we as parliamentarians approve the establishment of new national parks. We as parliamentarians do now and will continue to approve the annual appropriations which the Canadian parks agency will be receiving.

The summary of the corporate plan will be tabled by the minister in this House for the review of parliamentarians.

In terms of the corporate plan, the annual review, which will be undertaken by the minister, will not only contain our objectives but will also analyse and determine whether we are achieving those objectives.

• (1705)

I mentioned there will be a biennial report which deals with the ecological integrity of our special places. Not only will the minister receive and review that report but it will come to Parliament.

In conclusion, 113 year ago our predecessors made the decision to protect and preserve the newly opened wilderness around Banff. Today we are the beneficiaries of that vision and foresight. The establishment of the Canadian parks agency reflects our effort and will provide us the tools to fulfil that vision into the future.

It is important to us in the House and indeed to all Canadians that 113 years from now Canadians will look back and know and appreciate that the decisions the House will take today and in the weeks to come in terms of this legislation will lead to the protection and the creation of the special places that will be the enjoyment of Canadians in the 22nd century.

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, that was a very interesting speech. The pairing off of the parks from Heritage Canada and the insertion of the junior ministry of parks I believe has been a very positive step in the management of parks in Canada.

I have had a good working relationship with this minister and I would hope that, all partisan politics aside, it might continue.

The purpose of the Canadian parks agency act is to administer and protect our national parks, national historic sites and other heritage areas. This is a very important part of Canada. Indeed, as Reformers representing the grassroots, ordinary Canadians, more and more people across Canada are coming to see and understand and value the importance of parks and the preservation of parks.

We may have different visions and from time to time we find that some of the visions of this minister, indeed of this government, are rather restrictive and a touch myopic, but nonetheless we have the ability to dialogue. I think we have established a working relationship here that the Liberals clearly understand, that the Reform Party is very keenly interested in maintaining our natural ecosystems, in maintaining the ability of Canadians to be able to know, see and understand the importance of parks in their lives.

At present the responsibility for parks, as I have mentioned, falls under the Department of Canadian Heritage. Although this agency will still report back to this minister and the Minister of Canadian Heritage, maybe we have to give even more creative thought as to how we can even further depoliticize the whole issue of parks.

The new agency will remain accountable through the minister to Parliament. One of the concerns we had when we first saw the title of this act was that it was a step further removed in terms of being

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answerable to the people who are elected on behalf of the citizens of Canada to administer parks, but indeed it is not.

One of the major reasons we recognize that parks are unique in terms of their administration is that there are many things that we can do to create and there are many things that we can dismantle or take apart and then rebuild from a legislative perspective. When it comes to parks what we have to all clearly understand is that we are talking about living ecosystems. We are talking about our very environment. We are talking about being able to do absolute total damage that is irreparable.

• (1710)

We all recognize and acknowledge that. Again I want to make the commitment on behalf of the Reform Party that any actions taken with respect to parks, any management of parks, are taken from our perspective with that in mind.

We also like the idea that the agency will be more efficient since it will be able to raise and keep its own revenues, to bargain directly with its employees, to permit third party operators to administer certain facilities and to allow the chief executive officer of the parks agency to set terms and conditions of employment.

One of the difficulties there has been, because of the very unique nature of parks in Canada, is to try to fit into a template that simply does not fit. Parks are of an unique shape. Parks do not fit into the box that most of the government functions can easily fit into.

The agency will have access to a new \$10 million parks historic sites account. Any funds drawn from this account will be repayable to the crown with interest. Even this in itself is somewhat innovative and will permit a flexibility within the parks agency that is not clearly available with the existing legislation.

In relation to Reform Party policy, No. 5 in our statement of principles is that Canada's identity and vision for the future should be rooted in and inspired by a fresh appreciation of our land and the supreme importance to our well-being of exploring, developing, renewing and conserving our natural resources and physical environment. We support the concept of environmentally sensitive zoning. Therefore this park agency fits very well into the established policy of the Reform policy as it presently exists.

We are committed as a party to having our national parks and heritage sites administered in an accountable, efficient and cost effective manner. We support the agency's objective of cost recovery while at the same time ensuring that fees at Canada's national parks and heritage sites do not become prohibitively expensive.

The minister will know that I have had some criticism in the past. I continue with the criticism over the way in which the

entrance fees are administered in our parks. It is a hodgepodge. It is an unenforceable hodgepodge. It is one which is very important.

If we were to take a very rough figure of \$350 million as being the parks gross budget, at this point approximately \$50 million of that is accounted for in terms of fees, rents and leases in external money coming into the park. The problem is that 40% of that, \$20 million, comes from park entry fees that cannot be administered effectively. In fact, it is in a position of causing people to really cheat and creates an environment where there is a sufficient advantage for people to cheat on these fees. We are losing that revenue side. It is this kind of thing that is currently going on within the parks system that will not be resolved with the establishment of the parks agency.

I believe that the structure of the parks agency will lead to an environment where questions like this can be dealt with in a more business-like manner. It is the same thing as the enterprise units that were established on an experimental basis. These were the hot pools in the four mountain parks. It was a first step in the direction of the parks agency that the revenue coming from the hot pools in Banff, Radium and Jasper would be able to go into its own account and be accounted for. Unlike the current system within the rest of the federal government where funds that come in go into consolidated revenue, these funds would be earmarked. This enterprise unit would be able to administer the pools in a business-like way. There has been some success with that as a first step.

The Reform Party has taken a look at a number of these things and we see some real glimmers of hope that there is going to be a much more rational approach in the area of financing the parks.

• (1715)

Canadians benefit through a continued service at the parks and sites. The flexibilities and authorities provided in the legislation are designed to support the agency in delivering services within substantially reduced budgets.

To comment parenthetically for a second, it may be known that I have the good fortune of having four parks in my constituency, Mount Revelstoke, Glacier, Yoho and Kootenay National Park. Of course, Kootenay is adjacent to Banff and Jasper parks and Waterton in the southwest corner of the province of Alberta. I am actually surrounded by a tremendous number of parks.

I am indeed fortunate to live where I do. I also live near the people who work at these parks and they have spoken to me. They have my ear. They have some concerns with respect to how the parks agency is going to relate to them as the workers in the parks. I look forward in committee to having input from people representing all the layers involved in the delivery of services in the parks.

It is the Reform Party position that first there is the necessity through services like the ranger service to ensure that the physical management, administration and enforcement within the parks are

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maintained at a very high level. That is very essential to ensure the integrity of the parks.

Second, with respect to the delivery of the other services, particularly for parks visitors, it is the party's position that it is done in a cost effective way. It must be done in such a way that Canadians will always be able to access the appropriate places in the parks where they should be going so they can enjoy their out of door experiences.

With this in mind while speaking parenthetically, one of the major disappointments to me as a member of Parliament occurred when Parks Canada in its present life decided it would start contracting out. It struck me that what we should have been doing at that point was rather than going to contracting out without having established the structure of the parks agency, that we had an effort to do something without having any idea of what the structure was going to look like. That struck me as being a very shallow way for us to be going ahead and doing something which perhaps was politically popular at the time.

Of the 3,500 parks employees there are many people, whether we are talking about top management or about hourly workers, who legitimately have been very concerned about their livelihoods. They are concerned about whether they are going to have a job, if they are going to be able to buy running shoes for their kids next month.

This has been very unfair. I was very happy to see Parks Canada back off a very flawed process. With that in mind I close my parenthetic remarks.

The people who are going to be affected by the parks agency I am sure with the co-operation of the minister will have access to the committee to speak to the various provisions of the legislation. Whether they are in unions or are non-unionized hourly workers or whether they are in management, they must be able to have access.

We should also bear in mind some of the unfortunate things that have happened. For example at the Department of National Defence people have come forward to make submissions and have been chastized for it. I am sure that would never ever happen with Parks Canada.

Through the parks agency Canadians will benefit by the creation of new parks and sites. We have to be very careful. We do not have a limitless chequebook. We have to recognize that the money that will be expended on parks in the future is coming from the taxpayers' chequebooks. We have to be very prudent in the way we do that. On the other side of the coin, we also have to recognize there are some identifiable areas in Canada that we have to look at and which we have to preserve for the benefit of our children and our grandchildren.

• (1720)

Under the parks agency there is the potential to have enhanced accountability to Canadians. The legislation, while encompassing the existing activities associated with national parks, national historic sites and related protected heritage sites, reinforces roles which engender pride and give expression to our values and identity as Canadians.

The minister will retain full power of direction over agency activities. The legislation provides for new or improved accountability mechanisms to Parliament. These are the parts that we really like: a summary of the corporate plan and annual report; a biennial state of Canadian protected heritage areas report; the tabling of management plans for national parks and national historic sites in Parliament; and a unique mechanism which requires that the agency hold a biennial forum which will permit Canadians from all walks of life to share their views on the agency's program and to participate more fully in the management direction for these treasured national places.

These parks do not belong to the minister. They do not belong to members of Parliament. These parks belong to the people of Canada, and who better to have a say in the way in which they are managed and the way in which they are preserved and enhanced for the future of Canadians. In that respect we find that part of the parks agency legislation to be the most beneficial.

Working toward the completion of the national parks system and to enhance the systems of national historic sites and marine conservation areas is probably the biggest single challenge we have. This is most likely the area where we would end up with whatever disagreement we would have with the Liberals. I would not see it as being a political difference of opinion although the Liberals have a well-deserved reputation of intervening in many situations where there does not need to be government intervention.

We see being able to co-operate with the Liberal government, with any government. For example, three and a half years from now when the Reform forms the government, we would look forward to the participation of the Liberals with us along with whoever else gets the remnants of the seats in Canada. We would hope they would co-operate with us in the continued management of the parks.

There has been a challenge of maintaining the services and achieving long term goals. With that in mind again we are enthusiastic supporters of the way in which the accountability has been structured within this bill. I have stated that the agency will report directly to the Minister of Canadian Heritage who will in turn be accountable for its activities before Parliament. Current mechanisms to ensure responsible public dialogue and accountability will be enhanced.

There will be a summary of the corporate plan of the agency, a five year plan, and management plans for the national parks and national historic sites, and an annual report on the agency's operations. There will be a summary of the prepared report at least every five years on how the human resource regime supports the values and principles established by the government management of human resources. There will also be a biennial report on the state of Canadian protected areas.

We find the way in which the funds are going to be administered also makes a lot more sense, that of accountability, of the financing being on a two year operational rolling budget providing an annual carryover of funds.

We have had an exceptionally light snow year in the mountain parks, not that these are the only parks in Canada. Heaven only knows they go from Newfoundland to the Arctic and back—

An hon. member: And Peterborough.

Mr. Jim Abbott: —and Peterborough.

• (1725)

In the mountain parks where there is normally a tremendous requirement for snow clearing and road maintenance, although this year has not been a breeze, it has been the next thing to it. The cost has been very low. This was really quite fortunate because Parks Canada initiated a system whereby it ended up pulling the maintenance facilities for the road clearing equipment from where it should be and I believe should continue to be, back to Lake Louise.

I really hesitate to think what would have happened if we had had a normal snow year or a heavy snow year. However, the gods of snow shone favourably on this Liberal government in spite of its rather bone headed way of doing this road clearing reorganization.

My point is that the two year rolling budget is going to be beneficial exactly in that situation. When there is a low cost year, why would we turn around and paint signs and bridges that do not need painting? We would do it under the existing regime because the money had been left over from the snow clearing. But then next year, when we did not have El Niño and we ended up with a dump of snow in the parks, we would be short on budget.

As a matter of fact a couple of years ago it was so short on budget because of a heavy snowfall in Mount Revelstoke Glacier National Park. On the Trans-Canada Highway over the Rogers Pass

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there was a series of accidents as a result of not having sufficient salt or gravel to take care of the Trans-Canada Highway.

This is an absolutely classic example of why the parks agency is going to be such an ideal fit in its present form. We are going to look at it. We are not giving it the green light completely but at least it is a faint green light. There are some good ideas which recognize that parks in Canada are not like a theatre operation which comes under the heritage minister and they are not like a television network. Those are things that can be built up or cut down. However, we cannot build up and cut down on what we are doing with respect to natural ecosystems in parks.

In conclusion, a major concern that we have in this process and one I am sure we are going to have good co-operation on from the minister is to ensure that all interested parties, all people who will be impacted by the parks, will have an opportunity to have a say in committee.

Again I am going to remark parenthetically. There is the situation when the marine park in Quebec was set up recently. I was the parks critic and I said I was looking forward to people being able to make representations at committee. That did not happen. We basically got involved in a clause by clause study. For the people reading *Hansard* or the viewers who might not understand, we went over the legislation clause by clause, shall this clause pass, shall that clause pass and then boom, it was back in the House. I was very disappointed with that process.

I just want to say very clearly to the minister that will not happen on this bill. We will give everybody who was involved particularly on the human resource side an opportunity to have a kick at the can. We want them to help us understand, perhaps not only from a legal point of view but also in their judgment as they read the words, what this will mean to them in terms of everything from collective bargaining to the way in which their hours will be set, the whole nine yards.

The Reform Party will be supporting this legislation at second reading to go to committee for this process. As I said to a colleague just before I rose to speak, when I am the heritage minister I will probably do this legislation this way.

• (1730)

The Deputy Speaker: When the House resumes consideration of this bill, the hon. member will have 16 minutes and 47 seconds remaining in his remarks.

*Government Orders***WAYS AND MEANS****KAMLOOPS INDIAN BAND TAX**

The House resumed consideration of the motion.

The Deputy Speaker: It being 5.30 p.m., the House will now proceed to the taking of several deferred divisions, pursuant to an order adopted earlier today.

[English]

The first recorded division is on ways and means Motion No. 10. Call in the members.

• (1800)

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

*(Division No. 110)***YEAS**

Members

Adams	Alarie
Alcock	Anderson
Assadourian	Asselin
Augustine	Axworthy (Winnipeg South Centre)
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Baker	Bakopanos
Barnes	Beaumier
Bélair	Bélangier
Bellehumeur	Bellemare
Bennett	Bergeron
Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok)	Bertrand
Bernier (Tobique—Mactaquac)	Blaikie
Bevilacqua	Bonin
Blondin-Andrew	Borotsik
Bonwick	Bradshaw
Boudria	Brown
Brisson	Bulte
Bryden	Calder
Byrne	Canuel
Cannis	Carroll
Caplan	Cauchon
Catterall	Chan
Chamberlain	Chrétien (Frontenac—Mégantic)
Charbonneau	Cloutier
Chrétien (Saint-Maurice)	Cohen
Coderre	Comuzzi
Collenette	Cullen
Copps	Davies
Dalphond-Guiral	Desjarlais
Debien	DeVillers
Desrochers	Dion
Dhaliwal	Dromisky
Discepola	Dubé (Lévis)
Drouin	Duceppe
Dubé (Madawaska—Restigouche)	Dumas
Duhamel	Easter
Earle	Finestone
Eggleton	Folco
Finlay	Gagliano
Fontana	Galloway
Gagnon	Godfrey
Gauthier	Godin (Châteauguay)
Godin (Acadie—Bathurst)	Gray (Windsor West)
Graham	Guarnieri
Grose	Guimond
Guay	Harvard
Hardy	Herron
Harvey	Ianno
Hubbard	Jackson
Iftody	Jones
Jennings	Karetak-Lindell
Jordan	Kilger (Stormont—Dundas)
Keyes	Knutson
Kilgour (Edmonton Southeast)	Laliberte
Kraft Sloan	Laurin
Lastewka	Lebel
Lavigne	Leung
Lee	Longfield
Lill	MacKay (Pictou—Antigonish—Guysborough)
MacAulay	

Mahoney	Malhi
Maloney	Manley
Marleau	Massé
Matthews	McCormick
McDonough	McGuire
McKay (Scarborough East)	McLellan (Edmonton West)
McTeague	McWhinney
Ménard	Mifflin
Minna	Mitchell
Murray	Myers
Nault	Normand
Nystrom	O'Brien (London—Fanshawe)
O'Reilly	Pagtakhan
Paradis	Parrish
Patry	Peric
Perron	Peterson
Pettigrew	Phinney
Picard (Drummond)	Pickard (Kent—Essex)
Pillitteri	Plamondon
Power	Pratt
Price	Proud
Provenzano	Redman
Reed	Richardson
Ris	Robillard
Rock	Saada
Scott (Fredericton)	Serré
Shepherd	St. Denis
Steckle	Stewart (Brant)
St-Jacques	St-Julien
Szabo	Telegdi
Thibeault	Thompson (Charlotte)
Torsney	Turp
Ur	Vanclief
Vautour	Venne
Volpe	Wappel
Wasylcia-Leis	Wayne
Whelan	Wilfert
Wood—194	

NAYS

Members

Abbott	Ablonczy
Anders	Benoit
Breitkreuz (Yellowhead)	Casson
Chatters	Duncan
Elley	Epp
Forsyth	Gilmour
Goldring	Gouk
Grewal	Grey (Edmonton North)
Hart	Hill (Prince George—Peace River)
Hilstrom	Hoepfner
Jaffer	Johnston
Kenney (Calgary-Sud-Est)	Kerpan
Konrad	Lowther
Lunn	Mark
Mayfield	McNally
Meredith	Mills (Red Deer)
Morrison	Nunziata
Penson	Reynolds
Schmidt	Solberg
Strahl	Vellacott
Williams—41	

PAIRED MEMBERS

Brien	Crête
Fry	Girard-Bujold
Goodale	Harb
Lalonde	Lincoln
Marceau	Marchi
Martin (LaSalle—Émard)	O'Brien (Labrador)
Rocheleau	Sauvageau
Speller	Stewart (Northumberland)
St-Hilaire	Tremblay (Lac-Saint-Jean)
Tremblay (Rimouski—Mitis)	Valeri

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(Division No. 111)

The Speaker: I declare the motion carried.

BUDGET IMPLEMENTATION ACT

The House resumed consideration of the motion.

Mr. Bob Kilger: Mr. Speaker, I believe that you would find consent to apply the results of the vote just taken to the ways and means Motion No. 11.

The Speaker: Is there agreement to proceed in this fashion?

Some hon. members: Agreed.

[Editor's Note: See list under Division No. 110]

(Motion agreed to)

* * *

SMALL BUSINESS LOANS ACT

The House resumed consideration of the motion that Bill C-21, an act to amend the Small Business Loans Act, be read the third time and passed.

[Translation]

The Speaker: The next recorded division is on the third reading stage of Bill C-21.

Mr. Bob Kilger: Mr. Speaker, you will find that there is unanimity that the hon. members who voted on the previous motion be recorded as having voted on the motion now before the House, Liberal members voting yea.

[English]

The Speaker: Is there agreement to proceed in this fashion?

Mr. Chuck Strahl: Mr. Speaker, Reform Party members present vote no on this motion.

[Translation]

Mr. Stéphane Bergeron: Mr. Speaker, the members of the Bloc Québécois will vote in favour of this motion.

[English]

Mr. Bill Blaikie: Mr. Speaker, New Democrats present vote yes on this motion.

[Translation]

Mr. André Harvey: Mr. Speaker, the members of our party vote yea on this motion.

[English]

Mr. John Nunziata: Mr. Speaker, on behalf of the small business community in York South—Weston I will be voting in favour of this bill.

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

YEAS

Members

Adams	Alarie
Alcock	Anderson
Assadourian	Asselin
Augustine	Axworthy (Winnipeg South Centre)
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Baker	Bakopanos
Barnes	Beaumier
Bélair	Bélanger
Bellehumeur	Bellemare
Bennett	Bergeron
Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok)	Bertrand
Bernier (Tobique—Mactaquac)	Blaikie
Bevilacqua	Bonin
Blondin-Andrew	Borotsik
Bonwick	Bradshaw
Boudria	Brown
Brison	Bulte
Bryden	Calder
Byrne	Canuel
Cannis	Carroll
Caplan	Cauchon
Catterall	Chan
Chamberlain	Chrétien (Frontenac—Mégantic)
Charbonneau	Clouthier
Chrétien (Saint-Maurice)	Cohen
Coderre	Comuzzi
Collenette	Cullen
Copps	Davies
Dalphond-Guiral	Desjarlais
Debien	DeVillers
Desrochers	Dion
Dhaliwal	Dromisky
Discepola	Dubé (Lévis)
Drouin	Duceppe
Dubé (Madawaska—Restigouche)	Dumas
Duhamel	Easter
Earle	Finestone
Eggleton	Folco
Finlay	Gagliano
Fontana	Galloway
Gagnon	Godfrey
Gauthier	Godin (Châteauguay)
Godin (Acadie—Bathurst)	Gray (Windsor West)
Graham	Guarnieri
Grose	Guimond
Guay	Harvard
Hardy	Herron
Harvey	Ianno
Hubbard	Jackson
Iftody	Jones
Jennings	Karetak-Lindell
Jordan	Kilger (Stormont—Dundas)
Keyes	Knutson
Kilgour (Edmonton Southeast)	Laliberte
Kraft Sloan	Laurin
Lastewka	Lebel
Lavigne	Leung
Lee	Longfield
Lill	MacKay (Pictou—Antigonish—Guysborough)
MacAulay	Malhi
Mahoney	Manley
Maloney	Masé
Marleau	McCormick
Matthews	McGuire
McDonough	McLellan (Edmonton West)
McKay (Scarborough East)	McWhinney
McTeague	Mifflin
Ménard	Mitchell
Minna	Myers
Murray	Normand
Nault	Nystrom
Nunziata	O'Reilly
O'Brien (London—Fanshawe)	Paradis
Pagtakhan	Patry
Parrish	Perron
Peric	Pettigrew
Peterson	Picard (Drummond)
Phinney	Pillitteri
Pickard (Kent—Essex)	Power
Plamondon	
Pratt	

Private Members' Business

Price	Proud
Provenzano	Redman
Reed	Richardson
Riis	Robillard
Rock	Saada
Scott (Fredericton)	Serré
Shepherd	St. Denis
Steckle	Stewart (Brant)
St-Jacques	St-Julien
Szabo	Telegdi
Thibeault	Thompson (Charlotte)
Torsney	Turp
Ur	Vanclief
Vautour	Venne
Volpe	Wappel
Wasylycia-Leis	Wayne
Whelan	Wilfert
Wood—195	

NAYS

Members

Abbott	Ablonczy
Anders	Benoit
Breitkreuz (Yellowhead)	Casson
Chatters	Duncan
Elley	Epp
Forseth	Gilmour
Goldring	Gouk
Grewal	Grey (Edmonton North)
Hart	Hill (Prince George—Peace River)
Hilstrom	Hoepfner
Jaffer	Johnston
Kenney (Calgary-Sud-Est)	Kerpan
Konrad	Lowther
Lunn	Mark
Mayfield	McNally
Meredith	Mills (Red Deer)
Morrison	Penson
Reynolds	Schmidt
Solberg	Strahl
Vellacott	Williams—40

PAIRED MEMBERS

Brien	Crête
Fry	Girard-Bujold
Goodale	Harb
Lalonde	Lincoln
Marceau	Marchi
Martin (LaSalle—Émard)	O'Brien (Labrador)
Rocheleau	Sauvageau
Speller	Stewart (Northumberland)
St-Hilaire	Tremblay (Lac-Saint-Jean)
Tremblay (Rimouski—Mitis)	Valeri

The Speaker: I declare the motion carried.

(Bill read the third time and passed)

PRIVATE MEMBERS' BUSINESS

• (1805)

[English]

HOBBY FARMERS

Mr. David Chatters (Athabasca, Ref.) moved:

That, in the opinion of this House, the definition of hobby farmer stated by Disaster Relief Canada should be split into the following two definitions: (a) Hobby farmers: individuals who seek careers outside agriculture and have farms for recreational or investment reasons; and (b) Junior farmers: individuals who intend to become fulltime farmers, but currently are forced to seek off-farm income to build an equity in their farming business.

He said: Mr. Speaker, I am very pleased this evening to rise to debate private member's Motion No. 11. It came about as a result of a situation in my riding in the summer of 1996. I introduced a similar motion in the last Parliament which died on the Order Paper and, therefore, I have reintroduced it in this Parliament.

Since I first drafted the motion circumstances across the country have brought new relevance to the whole issue of how farmers, particularly part time farmers and small businessmen, are compensated in instances of natural disaster.

In the summer of 1996 there was a situation of serious overland flooding in the northern part of my riding.

In my part of Alberta and in many parts of Canada part time farming has become a way of life because the economic realities of farming demand that many farmers, or members of their families, take off-farm employment to supplement their farm income in order to survive. The very fact that they demonstrate the determination and the willingness to do this has brought about a situation where they are ineligible for disaster relief funding under the criteria of the guidelines of national defence.

It has created a serious and almost ridiculous situation where a farmer or a businessman on one side of the road receives disaster relief funding to compensate him for damages to his property, while his neighbour across the road is denied that funding.

I do not want to get into a debate over whether or not the natural disaster was worse in one area than in another. I firmly believe that the effect on the individual is the same, whether you are an individual among thousands or an individual among hundreds. My heart goes out to everyone who suffered through the Red River flood in Manitoba and the Saguenay flood in Quebec, as well as this winter's ice storm in Ontario and Quebec.

The very occasion of a natural disaster has a devastating affect upon Canadians. It robs them of their valued property and posses-

sions. It certainly takes away their financial security and their peace of mind.

I can sympathize with those individuals, having operated a farm for probably 35 years. During many of those years I had to take off-farm employment in order to build equity in my farm.

I know what it is like when you are young, you have a dream, and you and your family work your hearts out to build that dream. In a matter of hours those dreams can be wiped out and destroyed by a natural disaster. That kind of loss, in itself, is enough to destroy families. Many families in my area have been destroyed through no fault of their own, but through circumstances which arose as a result of these natural disasters.

We have to stop and imagine the anxiety and distress that would be added to the suffering because of the uncertainty over whether or not these farmers would receive assistance through Disaster Relief Canada.

In the last three years farmers across this country have suffered serious damage to their farms and businesses due to the flooding of rivers and streams all across the country.

• (1810)

Extensive media coverage made all Canadians familiar with the Saguenay flood in Quebec, with the Red River flood in Manitoba and, of course, with the ice storm in Quebec and Ontario.

Certainly less attention nationally was given to the floods of 1996 and 1997 in northern Alberta. It was the flood of 1996, which occurred during the same summer as the Saguenay flood, which motivated me to draft and to introduce this motion.

Following the flood in northern Alberta my office was bombarded with phone calls from farmers who were seeking assistance and disaster relief. The majority of the phone calls came from part time farmers who were not covered by Emergency Preparedness Canada because they earn more than half their income off-farm. The federal government's response to their pleas was nothing short of a slap in the face.

My constituents were forced to sit by and watch as side agreements were made to compensate hobby farmers affected by the Saguenay flood, the ice storm and the Red River flood, although there seems to be some confusion about whether part time farmers did receive compensation for damage caused by the Red River flood. Certainly that was the case in the Saguenay and in the areas affected by the ice storm. Individuals in northern Alberta, in 1996 and 1997, were denied that funding.

It is for this reason that my motion asks for the definition of a hobby farmer to be divided into a hobby farmer and a junior farmer under the Emergency Preparedness Canada guidelines.

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The current definition assumes that all farmers earning less than half their income from their farms have those farms for recreation or investment purposes.

In my riding it is more often the case that so-called hobby farmers are part time or junior farmers who intend to become full time farmers but who are forced to seek off-farm income to supplement farm income.

In the case of the ice storm, the part time farmers in question were the maple sugar producers whom I visited shortly after the storm. They have an extremely short season and under the current system are penalized for having the drive and ambition to seek additional work during the off-season.

Ironically, the majority of part time farmers reinvest their off-farm income into their farms to build equity, to accumulate capital and quota until they are able to maintain a full time farming operation.

The advantage of splitting the definition is clear. Hobby farmers who own farms for recreation and investment purposes would still be excluded from disaster relief programs, while part time or junior farmers would automatically be included in federal disaster relief programs.

Part time farmers would no longer have to wait for or rely on side agreements that are negotiated entirely at the discretion of the Treasury Board. This would eliminate the problem of regional inequality whereby some part time farmers, like those affected by the ice storm and the Saguenay floods, are given assistance while others are not.

Northern Albertans were denied additional assistance by the Treasury Board, while part time farmers in Quebec and Ontario received it for reasons known only to the Liberal cabinet.

Presumably the smaller magnitude of the Alberta flood in terms of dollars and cents was the reason. However, whether 200 or 2,000 farmers were affected, the impact on the individual farmer is the same.

How can it be justified to a part time farmer in Alberta that he will not be helped because not enough people were affected? It makes no sense that a person be given assistance for damage done by what was clearly a natural disaster while his neighbours across the road or his colleagues in other parts of the country are denied the same.

The devastation to the individual farmer in Alberta was, most assuredly, equal to the devastation experienced by the individual farmer in southern Manitoba, Quebec or Ontario.

The Liberal government is proud of the compensation given to the part time farmers affected by the Saguenay flood as it was the first time part time farmers have ever been included in a disaster relief agreement.

However, this move is only commendable if it is applicable to farmers across Canada under similar circumstances. Otherwise, it

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is little more than a divisive tool that deepens the gap and increases regional tension among Canadian provinces.

The divisiveness of federal policies was one of the primary reasons for the formation and continued existence of the Reform Party. Any policy or legislation that allows one farmer to be helped while another is ignored under identical circumstances hinders Canada's growth as a strong and united country.

• (1815)

Therefore in order to ensure equality, legislation should be in place to prevent the need to negotiate on a case by case basis.

Let me give an example of one of the many part time farmers who would stand to benefit from this motion. I received a call from one farmer who started a grading business on the side to supplement his farm income. This farmer is by no means wealthy or a foreign investor or keeping a hobby farm for investment purposes. Rather, he is a farmer with 200 head of cattle who wants to raise his income in order to be able to keep his farm going so he took an extra job. Unfortunately, because more than 50% of his income comes from his grading business, this farmer is ineligible to apply for assistance under Disaster Relief Canada.

The farmer's hay and alfalfa fields were the only feed he used for his cattle. His other flooded fields were used for grazing his cattle. Without some sort of relief, this farmer was faced with selling or slaughtering his cattle because of his inability to feed them. Flooding also resulted in limited work for the graders.

Therefore this farmer, like so many other affected part time farmers, felt that he was financially destroyed. Certainly this is only one example among hundreds of similar stories from my constituency as well as Peace River to the west of my constituency.

In a letter to one my constituents, the executive director of Alberta Disaster Services expresses his dissatisfaction with the current criteria for qualifying for assistance. He too has received many phone calls from frustrated farmers forced to give up their farming business. The eligibility criteria are outdated in light of the current reality.

The current reality is that the agricultural community has changed significantly and has come to depend on the contributions of part time farmers. It is becoming increasingly difficult for families to live on farm income alone.

In the last three years over 300 part time farmers in northern Alberta have applied for disaster relief funding and have been denied eligibility under the program. While the numbers seem to be dropping year by year, I think that is more a result of farmers becoming more aware of their ineligibility for the program than a drop in damages.

The recent ice storm reminded Albertans once again that everyone is not treated equally in this country and certainly not under Emergency Preparedness Canada guidelines. This needs to be remedied.

The only clear solution, therefore, is to distinguish between hobby and part time farmers and businessmen and to amend the guidelines to ensure equal assistance for all part time farmers and small businessmen in the event of a natural disaster. This assistance should be automatic as it is with full time farmers and businessmen and not decided on by a partisan body like the Treasury Board.

At this time I would like to point out that even the hon. members opposite have noted the need to reassess existing eligibility criteria. In the fall of 1997 I was told that Emergency Preparedness Canada was in the process of reviewing eligibility criteria in consultation with a working group from the Department of Agriculture and Agri-Food. I sincerely hope these discussions are progressing quickly.

Changes need to be made as soon as possible because, as we have been recently reminded, one can never be certain when or where another natural disaster will occur. I also sincerely hope that the hon. minister of agriculture, as he has assured me, and Agriculture and Agri-Food Canada are actively pursuing equitable access to relief for all farmers.

It is most important that all members of this House, especially the hon. Minister of Agriculture and Agri-Food, give this motion fair and serious consideration. Through the division of a single classification into two separate classifications, this motion will do two things. First, it will ensure fairness. It is unfair to continue to lump part time farmers with the owners of recreational farms. Part time farmers need to be recognized for their unique contribution to agriculture and must be protected against natural disasters that will adversely affect their farms.

This motion will also establish equality between part time farmers no matter what the disaster or where the farm is located. It will prevent the bitterness and resentment arising from perceived regional favouritism.

• (1820)

To emphasize this equality it is also important that the government retroactively compensate those part time farmers and businessmen overlooked since the Saguenay agreement with part time farmers, including those denied assistance after the northern Alberta flood. I believe this motion addresses the suffering of all part time farmers and businessmen affected by the natural disaster and it is an important step in securing the future of part time farmers in Canada.

Therefore I conclude by asking every member of this House to give this motion his or her full attention, consideration and support.

Mr. John Richardson (Parliamentary Secretary to Minister of National Defence, Lib.): Mr. Speaker, the Minister of National Defence is also responsible for emergency preparedness and the disaster financial assistance arrangements. As the Parliamentary Secretary to the Minister of National Defence I am pleased to speak to the motion before us today and I welcome the hon. member's suggestions.

I would like to take members a few weeks and remind them of our most recent disaster, the ice storm of 1998. Although this storm had a devastating effect on so many people in Ontario, Quebec and New Brunswick it also showed us Canadians at their very best, banding together in times of trouble to assist their friends and neighbours. This was a national crisis requiring a national effort. People worked together to overcome adversity. I am proud and I know Canadians are proud of their efforts and the high level co-operation between the federal government and the provinces, local authorities, community groups and scores of individual Canadians.

I also want to mention the role played by Emergency Preparedness Canada. This Department of National Defence agency worked closely with other federal departments and provincial governments to ensure that the emergency response was there when it was needed. A federal emergency operations and co-ordination group worked basically around the clock to locate, buy and transport emergency materials in response to provincial requests for assistance.

Emergency Preparedness Canada also co-ordinated public information across all federal departments and agencies participating in the relief efforts. But we were not only reminded of Emergency Preparedness Canada's value during the recent ice storm, it was also there during the disasters in Saguenay and Manitoba, Peace River and Athabasca.

While provincial authorities were in the lead during these emergencies, the federal government was there for support where and when needed. When the federal government was taking steps to ensure that we can provide support for future disasters, and in response to disasters in recent years, the President of the Treasury Board asked the Minister of National Defence and the Minister of Industry to undertake a review of federal financial assistance to provinces and territories following natural disasters.

This review is under way and has been carried out by an interdepartmental working group with representatives from Emergency Preparedness Canada, Industry Canada, Western Economic Diversification and the Economic Development Agency of Canada. For the regions of Quebec the Atlantic Canada Opportunities

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Agency and the privy council and Treasury Board secretariat are also involved in this.

Agriculture and Agri-Food Canada will be among the other key federal departments consulted. They will also consider the findings of the working group that presents the recommendations to Treasury Board.

Provincial and territorial governments will have the opportunity to comment on the working group's findings. They will also be able to make their own recommendations on any changes to the disaster assistance arrangements before a final version is adopted by the federal government.

As part of its review the working group will examine the disaster financial assistance arrangements as well as eligibility criteria for disaster relief to farmers.

I want to assure the hon. member proposing the motion and all members in the House that the economic recovery of the agriculture sector after a major disaster will continue to be a major concern of this government. The financial assistance provided by the federal government in response to the January ice storm is a recent example of how the government helps the provinces, their citizens, including farmers, to recover from natural disasters.

A share of the \$25 million the federal government has already provided to the Ontario government and a share the \$50 million to the province of Quebec under the disaster financial assistance program arrangements are destined in part for full time farmers in these two provinces. However, the Minister of Agriculture and Agri-Food has announced that part time farmers in Quebec who were hardest hit by the ice storm can look forward to \$50 million in further federal assistance to help get them back on their feet.

• (1825)

The fifty million dollar federal ice storm recovery package for part time farmers, although outside the disaster financial assistance arrangements, addresses the main concerns put forward by the hon. member in his motion, namely that part time farmers, including so-called hobby farmers and the junior farmers category defined by the member's motion, will receive financial assistance from the federal government to help them recover from the ice storm.

Without going into the details of the program administered by the Minister of Agriculture and Agri-Food, let me point out that this special ice storm recovery program provides part time farmers in Quebec with \$1,000 toward their eligible ice storm related costs for each full week they were without power.

The minister responsible for emergency preparedness and the Ontario ministry of municipal affairs and housing have announced the joint financial assistance program that will help part time farmers and rural communities in Ontario to the tune of \$20 million. This assistance is being provided without changing current

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eligibility criteria or definitions in the longstanding disaster fund assistance arrangements.

We all know how devastating the ice storm was for so many people, including many farmers. We all want to do our part to help these people get back on their feet. This private member's motion reflects the very Canadian desire to help our neighbours when they are in need. But because we are currently reviewing the eligibility criteria for farming operations and there is a special program for part time farmers devastated by the recent ice storm, I believe this motion to change the current definition of hobby farm under the disaster financial assistance arrangements should be put to the interdepartmental working group.

I assure all hon. members that this government cares about all Canadians, including all farmers, who suffered major losses during the January ice storm and other major disasters that wreaked havoc on their homes, farmsteads and essential personal properties. This government stands on its record of providing financial assistance in disaster stricken provinces in a prompt and equitable manner. We have done this through the longstanding disaster financial assistance program and the arrangements that flow from it.

When circumstances warrant, as in the case of the recent ice storm, we have provided support outside these arrangements with a special ice storm recovery program for part time farmers in Quebec and Ontario. We are consulting and reviewing these arrangements to ensure we can continue to help people when disaster strikes.

[*Translation*]

Ms. Hélène Alarie (Louis-Hébert, BQ): Mr. Speaker, the motion on Disaster Relief Canada's definition of part time farmer is incomplete. Every time there is a disaster, there is the big problem of how to compensate these farmers who do not come under the program's very specific categories.

The motion introduced today would expand the definition of hobby farmers, without changing the surrounding text of Disaster Relief Canada's definition.

Even with a broader definition, part time farmers would not be better covered by the disaster relief program. From this point of view, the motion becomes almost pointless.

After the flooding in Lac-Saint-Jean, and in the context of municipal tax reform, Quebec looked at the definition of part time farmer. It includes some useful categories covering people starting out in farming, so as to allow them time to get up and running, as well as all forms of specialized farming requiring a certain number of years to become established. I am thinking, for instance, of orchards, which are not productive initially and where the operator must look elsewhere for money to get his enterprise going.

• (1830)

However, part time farming, or at least as I know it in Quebec, is vital. It is important, in my opinion, because in certain places it holds communities together and makes a major contribution to the economy, because people increasingly have to look for income from other sources to combine with what they earn in their business. Some communities would be changed drastically without all the part time farmers, who hold things together and provide support.

In such cases, the importance of part time farming cannot be denied, and the term hobby farmer is an insult to all those who play a vital role in supporting the community.

Obviously, it is in times of disaster that we discover the weaknesses in such assistance programs. At such times, there is a lot of co-operation and assistance, because it is a time of crisis. However, when things settle down, and it is time for action, for rebuilding and compensation, the questions begin. Action must be taken within the framework of the programs.

I listened to the suggestions earlier about the study undertaken by the ministerial task force, but I think their work should be reported to the Standing Committee on Agriculture and to us so we may consider all angles of it, because from the definition, we assess the criteria and then things get more complex.

Reference was made as well to the programs that were implemented, and I would like to return to the statement made by ministers Vanclief and Massé on February 17. These two ministers of the federal government announced unilaterally that they would be granting aid of \$50 million to part time farmers in Quebec.

The federal government said that, with this program, and that is the crux, part time farmers will receive from the federal government assistance comparable to that provided to full time farmers under the disaster assistance arrangements.

When assistance programs are implemented after a disaster or some other difficult event, we can see the hardship experienced by the farmers and how important it is for part time farmers to be included in the group that requires protection and help to get back on their feet. However, as it stands, the agreement does not cover them.

Part time farmers were told on February 17 that they would be treated exactly the same as full time farmers. This has not been the case.

For full time farmers, the Government of Canada and the provinces share the cost 90-10, but in this program a 50-50 split was demanded.

I think that the intent of the announcement made on February 17 has not been respected, which creates another problem, which is a

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major one in my opinion: duplication with respect to the cost of administering the program.

I inquired how the implementation of the program for full time farmers was coming along and I learned today that some 9,000 applications had already been distributed: 6,000 for full time farmers and 3,000 for part time farmers. This information comes from Quebec agricultural information offices because we in Quebec are close to our farmers. They are registered with us.

• (1835)

But it is a system that is already in place and that, unfortunately, has some experience, because of the flooding in the Saguenay-Lac-Saint-Jean area. One learns rather quickly in this kind of situation, although one would have preferred not to have had to.

But the result is that farmers have already been surveyed and work is proceeding very quickly. We are prepared to sort out the problem of part time farmers.

But now another system is being introduced for part time farmers that goes through a different channel, that is therefore not as easily accessible to farmers, who are very familiar with their regional offices, and that, worst of all, increases this program's administrative costs.

In crisis situations such as this one, I think the need is not to increase visibility or administrative costs, but to meet the needs of these part time farmers as quickly as possible.

As my colleague pointed out, some of them are hobby farmers, but others are young or not-so-young people with growing agricultural operations. For those who know this sector well, in these circumstances, every cent counts.

So, a solution must be found. We must not wait for another disaster before finding a solution to this problem. In this sense, it is true that we must look at the definition of part time farmer or part time farming, as they would have it.

I would like to make one final point. The inflexibility with which the \$50 million program is being implemented in Quebec is costing farmers dearly. A shared-cost initiative was discussed, without both parties being required to participate. It is rare for two parties to act together when the consultation is all on one side. This was the case here. The measure introduced in no way took into account Quebec's programs.

For all these reasons, therefore, and I would like to speak at much greater length because this is an issue that touches me deeply, the expression part time farmer must be redefined.

[English]

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, I congratulate the hon. member for Athabasca for bringing Motion No. 11 before

the House. It enables us to speak to the very crucial and important area of part time farmers.

We recognize farming in general as one of the stronger frameworks of Canadian society. That is where the permanent settlement is. These are the people who come into an area and make a commitment, not to stay for a year or two or three but perhaps in many cases for generations.

As my friend from Athabasca indicated these are extraordinary families. Farming is not a job. It is a life. It is a lifestyle. It is a career where one works in a sense 24 hours a day. Not only does the farmer work but the entire family works, friends probably join and extended families become part of the operation. It is one of those aspects of economic development that does not fit the usual economic model. We are talking about people who are prepared to devote their lives to developing a farm.

As others have indicated, obviously for many this starts off as a part time operation. That is the way, particularly these days, for young people to get into farming or in British Columbia, in my area, what we normally call ranching. One cannot afford the money to simply take over an operation on a scale that will enable the making of a decent living.

Consequently most farmers or ranchers I know have to seek off farm work to make a go of it unless it is a huge corporate operation. Those running the typical family farm or ranch are inevitably driving a school bus, working at part time teaching, running a gravel pit on the side, or who knows what.

• (1840)

In other words, it does not take much for farmers to find themselves in situations where they consider themselves to be full time regular farmers but find out that half their income has to come from someplace else to make a go of it. That is the nature of the business and I think we acknowledge that.

My hon. colleague from Athabasca has provided a very valuable service to the country. I have had consultations with my colleagues from Winnipeg—Transcona, Winnipeg North Centre, and the leader of the New Democrats in Manitoba, the member of Parliament for Provencher.

In the area of Manitoba that experienced serious flooding problems there are still hundreds and hundreds of farmers who have not received any support as a result of all types of jurisdictional disputes and in my judgment some rather insensitive political leadership in that province. That is the area I know best in terms of the details.

Let us look at the disasters that have befallen many food producers, farmers and ranchers in Alberta, northern British Columbia and elsewhere. When these folks apply for support in recognition of a natural disaster that has occurred in their region, they are told that there is no support, that there are no programs

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available. Yet, when the same thing happens in other parts of Canada, lo and behold there are all kinds of programs, all kinds of support.

As my friend has indicated even then there they have problems. If one point becomes clear today, it is that the whole area of farmers dealing with natural disasters and receiving some kind of support or encouragement to get them through these difficult periods has to be re-examined.

We have the interdepartmental task force but that is not where the answer will lie. It is a cumbersome process, to begin with. The agricultural committee, as my hon. friend has indicated, might be a place to begin. My suggestion would be that the next time agricultural ministers from territorial and provincial governments across the country get together with the federal minister of agriculture, one of the items on the agenda should be how to deal with this issue in the future.

Flooding will not stop this year. Ice storms may not stop this year. We certainly hope they do but they will probably come back. Some form of natural disaster will occur.

If there is one thing we have learned it is that existing programs do not work well. They do not treat people fairly. They are not offered in an equitable and fair way. Some farmers are eligible; others are not. Some parts of the country seem to me to be treated different from other parts of the country when it comes to farmer support during natural disasters.

The whole thing is kind of a hodge-podge and we need to acknowledge that. There is a serious problem. The parliamentary secretary to the minister of agriculture in his speech today acknowledged that point. While we send the issue off to the interdepartmental task force, that is one step but it is not good enough.

We owe the member a great deal of gratitude for bringing this matter to our attention today. The issue of farming and the fact that people have to seek off farm employment to survive as a legitimate farmer these days has to be acknowledged.

We are moving into a whole new world of hemp cultivation. The federal government announced that regulations were in place so people could start growing what I call industrial marijuana or hemp. This is a new enterprise. When we consider that there are 50,000 identified uses for hemp, this will provide an awful lot of marginal farming operations with one other crop they can pursue as long as those markets are developed appropriately.

Let us deal with the whole issue of what is a legitimate farmer. What is a legitimate part time farmer? What is a hobby farmer? We acknowledge that hobby farming is a reasonable category as well. Then let us identify appropriate ways to compensate farmers for

natural disasters, when, where and if they occur, in a fashion that is fair, justifiable and equitable to all.

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I do not want to give a long speech. However, I listened very carefully to the member for Perth—Middlesex, the Parliamentary Secretary to the Minister of National Defence.

I thought he explained particularly well the role of the federal government in dealing with natural disasters and how the special nature, magnitude and focus of a particular event and the nature of the farming community affected by the ice storm encouraged the federal government to move into the area of assisting part time farmers. We have great sympathy for the very large number of people in that category in eastern Ontario and Quebec. I think it was the particular circumstances and I think the member explained the federal government's position with respect to disasters.

• (1845)

The member opposite who raised this issue knows that we cannot anticipate the nature, scale or even location of disasters. Therefore we have to be flexible. In this case the needs of part time farmers were particularly strong.

I happen to know from personal knowledge that the member for Provencher has been working hard to get the province of Manitoba to amend its agreement. He has been encountering great difficulties at the level of the provincial government. I encourage the member for Provencher to continue doing that.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, it is a real honour to stand in favour of my colleague's motion. There is no doubt that the challenge to farmers these days is higher in all likelihood than it has ever been, although I remember as a youngster growing up on a farm in Saskatchewan that things were not very easy then either.

In the year I was born the farm had produced nothing for two years in a row. When I said in another speech in the House that I grew up very poor, it was because of that fact. When I came on the scene in 1939 two things happened: the drought came to an end and the war started. I do not know how we would correlate that.

Let me turn to the motion and the definition of farmers and the need for government help when they meet disaster. The speech of the parliamentary secretary gave one of our grievances out west. There seems to be an immediate program for disaster in some parts of the country. In no way are we insensitive and unsympathetic to that. However, we observe that when we have similar disasters in our part of the country the federal government seems to be much less sensitive to them. It seems to be very difficult for us to obtain help for those who need it.

There are many areas in which there seems to be a discriminatory attitude. I had an interesting case reported to me in my riding. A young farm couple was having a great deal of financial trouble making ends meet. It was tough. Income was slow and there were many pressures in terms of higher costs and the need to work long hours for a very low rate of return.

This couple found that there was federal legislation stacked against them. She had to take a part time job to pay the bills and keep the farm running. Lo and behold, she got in what we call euphemistically the family way. She is now eligible for UI, as most people are, having taken a job in one of neighbouring towns. It is one of the benefits under that program.

Because she also had an interest in a farm, the government applied some very stringent and unreasonable rules in computing their average, forcing them to take 15% of their gross income and apply it as income to the family. She only wished they could make 15% of their gross income; it was much less than that. As a result, she is ineligible for the UI benefits that everyone else receives. They were and are a family that is struggling financially.

• (1850)

In the north end of the wonderful constituency of Elk Island there are farmers who for two years in a row have not had a crop, either because of too much rain at the time of seeding or too much rain at the time of harvesting. They have not been able to get their income. As a result they are facing tremendous financial pressures.

Is there help for them? No. It does not seem to come from anywhere. Their financial distress is as severe as those who suffer from more immediate and sudden weather disasters, which we have heard a lot about in the last couple of years.

I emphasize again that I am neither unsympathetic to them nor saying in any way that they should be cut off. What I am saying is that there ought to be a system of equity applied so that different members of society and the farming community are treated equitably. Those with financial difficulties because of circumstances totally beyond their control as in the case of aberrant weather should have assistance from a government program as do others in different parts of the country.

A lot of people are part time farmers and part time everything else. Some farmers in my riding and elsewhere who among other things went into trucking because there was not enough income from the farm to keep the farm going. Consequently they get involved in trucking or some other part time business. They take employment in the oilfields or in my riding in some of the chemical plants. Some farmers in Saskatchewan had to take jobs in the potash mines just to supplement the farm income and keep on farming.

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As a result they are ineligible in their farming operation for some other benefits. Even with the passing of the Crow rate there was some tremendous inequities because of the application of certain rules that apply on the federal scene.

I urge members of the House to support strongly my colleague's motion. Action should be taken. The motion was not drawn for being a votable motion so it appears, having had the pleasure of getting this off our hearts, nothing will be done about it. That is wrong. Action should be taken.

The motion is one of great importance and urgency. If we cannot vote on it in the House and bring in an act that will result in some changes, at least my colleague has brought the matter to our attention, to the attention of the government and to the attention of ministers who are in a position to do something about it.

If the government were to bring forward a bill to address the issue in the way my colleague is suggesting, it would receive the attention the House would be willing to give it. Certainly our party would support it, provided that it met the criteria my colleague is suggesting. We should do that.

I challenge the government and the minister to look at it, to treat it as a matter of urgency and to do something about it. It is not sufficient and it is not satisfying to me as a member of Parliament for farm families in my riding, in Athabasca, in some cases who have been in the farming business for years and for generations, to face the loss of their property at this stage. I urge the government to do something about it and to bring in a government bill that will bring this matter to a resolution.

I sincerely hope this will not have been just an hour of debate but that something will result from it.

The Deputy Speaker: When the hon. member for Athabasca speaks he will close the debate.

• (1855)

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I really do not know how to express my disappointment at the response of the Parliamentary Secretary to the Minister of National Defence to this issue. Either he misunderstood issues in the motion or he chose to ignore them almost totally.

It is wonderful news that the Department of National Defence and other departments are considering changes to the way disaster relief funding is provided to small businessmen and to farmers.

Another fundamental issue that he refused to even acknowledge was that there was a flood in northern Alberta and that the Alberta government applied for special funding for disaster relief for part time farmers and small business people. That request was denied to farmers and small business people in northern Alberta on two occasions, once the same summer and now this winter, for whatever reasons. I have to assume because they were in a different part of the country that special funding was provided. That was a

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sad day for Canadian unity, for equality and for fairness across the country. I was certainly disappointed.

While the flood in my part of the world was nowhere near the magnitude of the Saguenay or of the ice storm, certainly I know of farm families that were destroyed and are no longer families. I know of farmers who committed suicide because of the economic and personal hardship they suffered because of the disaster. To simply brush them off as not important and not worthy of the same kind of consideration as farmers in Ontario and Quebec is simply wrong, unfair and unworthy of a government that has responsibility for all Canadians.

I heard from the member of the Bloc Quebecois Party and others that there was some desire to have the issue go further. I would like to ask for the unanimous consent of the House to refer this subject matter to the Standing Committee on Agriculture and Agri-Food for further study and recommendations to the minister.

The Deputy Speaker: The House has heard the proposal of the hon. member for Athabasca. Is there unanimous consent?

Some hon. members: Agreed.

An hon. member: No.

The Deputy Speaker: There is not unanimous consent. The period for the consideration of Private Members' Business has now expired and the order is dropped from the order paper.

Over past decades immigrants have made enormous contributions to the success of our economy. The mix of people of various ethnic origins has enriched our national life tremendously.

Following the release of a report from an advisory group in January 1998, the minister announced her intention to review the Immigration Act. We agree that our immigration policy and practices need some refreshment. People seeking protection in Canada are often waiting more than two years before their case is settled.

I recently had someone calling me, saying that her family was separated since 1991 because of complications in the sponsorship procedures.

• (1900)

Another dramatic example of the limits of the system is a case I was personally touched by, a drama that took place in my own city of Halifax. I am referring to the four Filipino seamen who courageously reported an incident of three Romanian stowaways while their ship, the *Maresk Dubai*, sailed toward Halifax. These four courageous men asked for Canada's protection after their families in the Philippines were harassed and intimidated due to their testimony against the captain and five other crew members who allegedly forced the Romanian stowaways overboard.

Although going back to the Philippines appeared to be a threat to these people and their family security, they were denied refugee status by the Immigration Refugee Board. The board's two member panel concluded that the harassment was not sufficient to be considered persecution. Now their only chance is through a request to the minister for exceptional humanitarian consideration, but that same minister refused to allow the seamen's family members to come and testify during the refugee board hearings. What chance do they have? Under basic justice principles these men and their families truly deserve our protection.

This is the kind of example that makes me worry about the changes coming to the Immigration Act. The government seems to think of immigration as an economic tool with people seeking protection as a secondary category.

We will also remember this Liberal government as the government that imposed the infamous head tax on newcomers. This \$975 right of landing fee imposed on all adults becoming permanent residents is reminiscent of the head tax that was used to prevent the establishment of Chinese Canadian families at the beginning of this century.

The new head tax is disproportionately affecting refugees and families immigrating through sponsorship. The United Nations High Commissioner for Refugees raised some concerns that refu-

ADJOURNMENT PROCEEDINGS

[English]

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

IMMIGRATION

Mr. Gordon Earle (Halifax West, NDP): Mr. Speaker, over the last few months I have had the chance to familiarize myself with the reality of immigrants and refugees trying to settle in Canada in hope of a new life.

Without a doubt, starting a new life again in an often entirely different social and cultural environment is a long and difficult process. I thus believe it is our collective role to facilitate the adaptation of newcomers who wish to participate fully in our society.

Let us not forget that most of us are immigrants or descend from people who decided to settle here two years or two centuries ago. Canada, as we all know, is a country of immigration. We are all immigrants except for the aboriginal peoples.

gee access to protection might be affected since many are coming to Canada with limited financial resources.

When I asked the minister to remove this offensive tax she responded: "According to our studies we have penalized no one wishing to settle in this country". When I asked her for those studies I was informed they did not exist. People working closely with immigrants clearly told me that there was an impact on low income families. It is time for the minister to realize this tax, the resource from which does not even serve to help newcomers settle in Canada, was a mistake.

The current review process is a good time for this government to give some indication of the future direction of our immigration policy. Will that direction be toward a restricted view based on cold economics and fear of differences or rather toward an open policy that recognizes both the positive impact newcomers have on our collective life and the humane dimensions of immigration?

The Canadian government must live up to its commitment and change its current policy of giving priority to investors and economic immigration over family reunification and humanitarian cases such as the case of the seamen from the *Maresk Dubai*. Removing the head tax would be the first step in that—

The Deputy Speaker: The hon. Parliamentary Secretary to Minister of Citizenship and Immigration.

Ms. Maria Minna (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, family reunification has been and continues to be very important for this government. There are no limits. It is strictly on demand. There is not a cap nor is there a quota on family reunification in this country. There was none before, there is none now and there will likely be none.

The report of the advisory committee to the minister is not a government report. The minister has said that she has concerns with aspects of that report. There are also interesting and useful aspects of that report. If the hon. member wants to participate in that discussion it is important that he does so at this time. It is important when the decisions are made that they be the right decisions for Canadians and for immigrants.

With respect to the issue of fees, as we are all aware, certain fees are associated with obtaining permanent residency in this country. The government recognizes that some individuals, specifically refugees, may have some difficulty in paying these fees. That is why a loan program is in place to offer financial assistance to these individuals.

I do not understand my hon. colleague's concern about this program or his implication that it does not work. In every respect it has been a major success story. First, there is no evidence to suggest people are being unfairly penalized by our fees. The loan

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program ensures money is available to individuals in genuine need. In fact, 95% of the beneficiaries of loans are refugees. Second, we are not simply giving this money to people. It is a loan. I am pleased to inform the House that over 92% of the loans have been paid back. Repayments to this revolving fund in 1996-97 totalled \$10.2 million.

This not only demonstrates the government's commitment to helping immigrants and refugees enter Canada, it also speaks well of the integrity of newcomers who are coming to our country to start new lives.

• (1905)

POST-SECONDARY EDUCATION

Ms. Wendy Lill (Dartmouth, NDP): Mr. Speaker, on February 24, I asked the Minister of Finance on the eve of his balanced budget to address the serious concerns about funding for post-secondary deaf students in Ontario.

Beginning on April 1, 1998 funding for post-secondary education and disability related post-secondary school support will no longer be the responsibility of vocational rehabilitation services in the ministry of community and social services.

Currently students in the VRS program receive financial support to cover direct costs such as tuition and books as well as indirect costs such as a living allowance, interpreters and note takers.

Through VRS counsellors these students also receive advice and support in planning their educational and vocational careers.

As of April 1 these students will be required to seek assistance instead through the ministry of education and training's Ontario student assistance program and through special needs offices in colleges and universities.

The Ontario Association for the Deaf has identified a number of specific concerns around this new formula. First, eligibility for financial assistance will be based on a family's income as determined by a needs test. It is anticipated that many current VRS students will not be eligible for OSAP and that will impose immediate and significant financial burdens on families.

Second, special needs offices in colleges and universities are already overworked and understaffed. In addition, they do not have the experience or expertise to meet the unique communications needs of deaf and hard of hearing students. Although a total of \$4.9 million is being transferred to meet these students' access needs, no details have been announced about how much is being allocated to each institution and how these funds will be used.

Third, the valuable consultation and support currently provided to students by VRS counsellors will cease on April 1. No provision has been made to replace this essential vocational planning support.

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Finally, many deaf and hard of hearing students are not academically ready for post-secondary studies. No accommodation has been made for the funding of upgrading and retraining programs.

Parents and students are extremely upset, confused and angry with these new developments. The domino effect for deaf students and all disabled students continues as the government continues to balance its budget on the backs of the most vulnerable.

Disabled students are being short changed in their educational opportunities. This will seriously weaken their employability and this will perpetuate the cycle of unemployment and underemployment that has plagued people with disabilities historically.

I ask the government to seriously consider the additional cost of education facing deaf students and all students with disabilities. I ask the government to keep the promises it made to the disabled in its 1996 task force report "The Will to Act" and to start doing the right thing for the disabled in this country.

Mr. Rey D. Pagtakhan (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I am pleased to have the opportunity to state that the Government of Canada is committed to providing all Canadians with the opportunity to access affordable post-secondary education so that they may prosper in a knowledge based economy.

The Canada student loans program recognizes the particular needs of students with permanent disabilities. A special opportunities grant of up to \$3,000 a year is designed to offset certain exceptional education related costs incurred as a result of disability.

Students who are unable to pay their loans because of disability may also apply for a permanent disability benefit in the form of loan forgiveness.

Effective August 1 this year, Canada student grants will also offer up to \$3,000 per year to students who have permanent disabilities and dependence to assist them in their full time or part time studies.

The Canadian opportunities strategy will also help Canadians, including Canadians with disabilities, to succeed in the changing economy. It provides for improved access to knowledge and skills for all Canadians through the new \$2.5 billion millennium scholarship fund, a fund which persons with disabilities will also be able to tap into.

The budget will also help Canadians coping with student debt-load with tax relief on interest payments and debt assistance to those facing financial difficulty.

I also want to point out that the 1998 budget announced additional tax measures to recognize the cost associated with disabilities. Following the 1998 budget, tax assistance measures for disability and medical expense now represent \$635 million per year in tax credits.

• (1910)

Our budget also proposes a new special tax credit for caregivers. In last year's budget \$30 million for the opportunities fund to help between 4,000 and 6,000 Canadians with disabilities find and keep jobs was announced. Indeed the Government of Canada is committed to people with disabilities

CHILD POVERTY

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, it is an honour to have a chance to say a few words about the state of child poverty in our country.

I remember a very wise person once saying that you can tell a great deal about a society when you see how it cares for its children. On that count the federal government has to be somewhat embarrassed. This morning, probably in the richest country in the world, 1.4 million children woke up living in poverty.

As someone said recently in this House, when a parent fails to provide basic food, shelter and clothing for a child they are often charged with child abuse. It is considered to be a form of child abuse when you deprive a young child of decent food, clothing and shelter. Yet when a government does that it is called balancing the budget or getting the fundamentals in place, or some various of that.

The reality is tens of thousands of children every week in our country have to go to food banks with their parents in order to survive. Tens of thousands of young children from coast to coast are living in conditions that are completely unacceptable. They are living in little dark, damp basement suites, tiny cubicles in overcrowded tenements, forced to stay in a broken down motel on social services in some community.

When we consider that the richest country in the world has a government that stands passively by and is prepared to accept the reality that 1.4 million children must live in poverty, it is nothing short of immoral. We should be embarrassed as a Parliament and as a country. The government should place as the highest priority to take steps to ensure that these children no longer have to live their lives in poverty.

I suspect there are some people who would say that is just the way the world is, there are no alternatives and there are always poor children. That is not the case. There are many countries where there are no poor children. Norway has no poor children. There are no poor children in Denmark. The reason there are no poor children in Denmark or Norway is there are no poor parents living in those countries.

They have social and support programs that place a value on children and young people. When a mother has to leave her place of work in order to bear a child she gets a year's leave at 90% salary. The father gets a leave up to a year with 90% salary. That country puts a priority on parents being able to be there at that very crucial

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young age to nurture, develop and support and to give that young child the kind of break in life he or she deserves.

What do we say to the 1.4 million children who live in poverty? It means they are being denied a whole set of things in their lives that they should not be denied. I realize poverty does not necessarily mean that you live a deprived lifestyle but it certainly goes a long way to see that reality.

The Conference of Catholic Bishops said that for the Government of Canada to stand passively by and allow 1.4 million children to live in poverty is in fact a form of child abuse.

Mr. Rey D. Pagtakhan (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, child poverty is a pressing issue and the concern of everyone in the country. It cannot be eliminated overnight. It cannot be addressed by one level of government alone. The federal government has recognized this issue and its complexity and is therefore determined to continue to address it as a priority in collaboration with the provinces and territories.

● (1915)

That is why we have built the national child benefit system. That is why as a first step in our last budget we allocated \$850 million to begin increased support to over one million children and their families starting this coming July. That is why we have allocated in this year's budget an additional \$850 million to enrich this benefit over the next two years, \$425 million as of July 1999 and another \$425 million as of July 2000.

The goal of this additional initiative is simple: pooling federal, provincial and territorial resources to ensure that children are always better off when their parents leave social assistance.

In summary, when the annual federal assistance provided to families through the Canada child tax benefit system is fully implemented it will have increased by \$1.7 billion, which is more than 30% since 1996.

The government is committed to giving our smallest infant and older children a good start in life. The national child benefit system will play a key role in fighting child poverty so as to help provide that good start for them.

This is our collective duty to humanity.

[*Translation*]

INARI

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I am pleased to rise in this evening's adjournment debate.

On November 25 and December 1, I questioned the Minister of Foreign Affairs about a problem affecting the residents of the riding I represent in the House. Litigation continues between three constituents and a nebulous non profit organization that is accredited with the United Nations Economic and Social Council,

the international agency for rural industrialization, better known as INARI.

On May 5, 1997, the individuals involved complained to the Minister of Foreign Affairs about this agency, alleging fraudulent practices and false representations. Nearly a year later, they are still waiting for the matter to be resolved.

In brief, the facts are as follows. A number of Canadians and Quebecers, including the three I referred to earlier, paid substantial sums to INARI and incurred considerable expenses to be repaid in initiating a rural industrialization project.

The agency, it must be understood, appeared entirely credible, because it was using the United Nations' logo, prestige and network to carry out its operations. These people saw their investments rapidly disappear, thus discovering the agency's lack of responsibility and dubious practices.

Claims for refunds and compensation have been made to the director general of INARI, a man named Okorie Okorie, who could not offer anything but false hopes. This has had serious consequences on the psychological, social and financial well-being of the families involved.

Investigations and redress procedures have been launched by the victims. Messrs. Audet, Daoust and Yee did not miss the opportunity to inform me, as well as my colleague, the member for Marguerite-d'Youville at the National Assembly, of the problems they faced. As a matter of fact, we made representations jointly to the Minister of Foreign Affairs to ask him to intervene in this matter to defend these people and all the other Canadians and Quebecers whose rights were obviously abused by this agency.

The Quebec minister of international relations, Sylvain Simard, was also interested in this matter, as were some of the media, who made inquiries of the United Nations only to be turned away and to see a number of those responsible for this sidestep the issue.

There is definitely something very fishy here. It seems that the federal government was aware of these dodgy manoeuvres by INARI. INARI's financial director, a certain Louie Moore, had apparently been convicted of fraud in the United States, and banned from France on the same grounds. Yet, on a number of occasions, he was able to cross the border in order to pursue his illegal activities on Canadian soil.

It was therefore the duty of the Canadian government to intervene in order to assist the victims and ensure such a thing could never happen again. The Minister of Foreign Affairs therefore wrote last December informing me that a representative of the Canadian delegation to the UN would be attending the next meeting of the committee responsible for NGOs, in mid-January

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1998, in order to make sure this case was raised and that proceedings were initiated to resolve the disputes.

That committee would then have the authority to suspend INARI's observer status and, eventually, to withdraw any United Nations accreditation. We are now half way through March and have still heard nothing about the outcome of this theoretical meeting.

In my opinion, the victims of this fraud have waited long enough, and they now deserve to know where the matter stands, after the meeting of the UN committee responsible for NGOs.

• (1920)

It is high time the government showed some compassion regarding this issue and informed the House and those directly affected by this fraud of the outcome of its representations to the United Nations.

These dispossessed people have suffered enough because of the irresponsibility, the proscration and the apathy of the people involved.

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, in May, three businessmen from the Montreal region wrote to the Minister of Foreign Affairs to complain about the fraudulent practices of the international agency for rural industrialization, a non-governmental organization accredited with the United Nations.

A reply was sent, explaining that INARI is a private organization based in Togo, with the status of observer at the UN's Economic and Social Council and its subsidiary bodies. It is strictly in that capacity that INARI participates in ECOSOC's debates, and its status does not in any way engage the responsibility of the UN or its member states regarding the legality of its activities.

Since INARI is a private organization based in Togo, the Canadian government does not have jurisdiction to get involved in the management of its internal affairs. Still, we did report the complaint made by these Canadian businessmen to the UN secretariat, which pledged to refer it to the UN committee responsible for NGOs. The members of that committee—Canada is not one of them—review issues relating to NGOs at the United Nations, and can review, if necessary, the observer status granted to certain NGO's.

[*English*]

I undertake to provide the member with a full written version of this reply.

[*Translation*]

The Deputy Speaker: The motion to adjourn the House is now deemed adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.22 p.m.)

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