



CANADA

House of Commons Debates

VOLUME 135 • NUMBER 143 • 1st SESSION • 36th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Tuesday, October 27, 1998

Speaker: The Honourable Gilbert Parent

CONTENTS

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

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

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

HOUSE OF COMMONS

Tuesday, October 27, 1998

The House met at 10 a.m.

[English]

—————
Prayers
 —————

ROUTINE PROCEEDINGS

• (1000)

[English]

WAYS AND MEANS

NOTICE OF MOTION

Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, pursuant to Standing Order 83(1), I wish to table two notices of ways of means motions. The first amends the Excise Tax Act in respect of split runs. The second amends the Budget Implementation Act of 1997 and 1998. I am also tabling explanatory notes for each. I ask that an order of the day be designated for consideration of each motion.

* * *

• (1005)

INCOME TAX

Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, with your permission while I am on my feet I would also like to table, pursuant to Standing Order 32(2), copies of legislative proposals and explanatory notes relating to income tax.

* * *

[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 12 petitions.

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 40th report of the Standing Committee on Procedure and House Affairs regarding the membership of some standing committees of the House.

If the House gives its consent, I intend to move concurrence in the 40th report later this day.

* * *

EMPLOYMENT INSURANCE ACT

Mr. Paul Szabo (Mississauga South, Lib.) moved for leave to introduce Bill C-449, an act to amend the Employment Insurance Act (parental benefits).

He said: Mr. Speaker, the 1996 national longitudinal survey on children and youth found that 25% of Canadian children entered adult life with significant emotional, behavioural, academic or social problems.

Therefore investing in early childhood development is an imperative, not an option. This bill responds in part to this need by providing more flexibility, options and choices to parents, by amending the Employment Insurance Act to provide one full year of maternity or parental leave benefits under that act.

I am pleased to introduce this bill and I look forward to earning the support of my colleagues in the House.

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

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if the House gives its consent, I move that the 40th report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

(Motion agreed to)

Routine Proceedings

• (1010)

FISHERIES AND OCEANS

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, I move that the first report of the Standing Committee on Fisheries and Oceans presented on Monday, March 23, be concurred in.

I must admit I have been waiting an entire year and a half in this House in order to debate the east coast report and to move concurrence on what I consider to be an outstanding and fabulous report.

The first thing that has to be remembered is that this report does not come from the Standing Committee on Fisheries and Oceans. We tabled it in the House but the report is actually a reflection of all the witnesses and all the people by the thousands who came to all the meetings in November 1997 in Newfoundland, Quebec, the New Brunswick region, Nova Scotia and P.E.I. This is an outstanding report that five political parties in this House can agree to.

Prior to the election and the campaign in June 1997 the reporters, the pundits and even ourselves were calling it possibly a pizza parliament. If a pizza parliament can put together what I consider an excellent report, then so be it.

What was the government's response in September 1998 to this east coast report? Absolutely scandalous. The government completely whitewashed the report and ignored the recommendations of nine of its own members. Absolutely scandalous.

I will go on to specific details within the report. When the east coast report came through, committee members got together and said they cannot be in Ottawa making recommendations or conclusions on what to do with the thousands of lives of the people on the east coast. They decided to go to these communities and talk to the people and write down what they were told, put it in a report and table it. For the first time in a long time the standing committee actually agreed unanimously to put this report together.

This report is a triumph of east coast fishermen, plant workers and their families over the adversities and policies of the current DFO and the past DFO.

We have had 16 ministers in the Department of Fisheries and Oceans in the last 11 years. Everybody knows they use this department as a revolving door to move forward on to other grounds.

An hon. member: A spawning ground.

Mr. Peter Stoffer: It is a spawning ground for future references or future movements by ministers. That is one of the key problems.

Another problem with DFO is it is very stagnant. It has well over 800 people at 200 Kent Street and not one of them is catching any fish or setting any fish in the Hull River or the Rideau Canal.

One of the serious recommendations we made in this report is that DFO seriously downsize and move to the coastlines to where the resource is so it can have a better handle on what goes on on all three coasts of Canada and our inland waters.

The east coast report seriously condemns the government and the bureaucracy within DFO. It is one of the changes that has to happen.

Nobody on the east coast except for those who are involved in the ITQ and the big corporates which were funded by this and previous governments agree with the government. Ninety-five per cent of all people in the fishing industry on the east coast vehemently disagree with the current policies and practices of DFO.

Why are they continuously ignored? They are continuously ignored because they do not have a voice in Ottawa. They did not have a voice until this report came out. What is the government's response? A complete whitewash of this report.

It is absolutely scandalous that parties as diverse as the Reform Party, the Bloc Québécois, the Progressive Conservatives, the New Democratic Party and the Liberal Party can agree to this report only to have it turned around and voted against by their own members because of the pressure tactics of the Prime Minister and the Minister of Fisheries and Oceans.

It is an absolute whitewash. It is an absolute scandal that we can spend all this money touring those provinces on the east coast only to have the report completely ignored by the Minister of Fisheries and Oceans and by the bureaucrats in Ottawa.

As we know, this government has spent over \$4 billion since 1988 readjusting the people on the east coast out of the fishery.

• (1015)

Has there been any great improvement over the years? Absolutely not. The lives of thousands and thousands of people have been totally disrupted.

What is the attitude of the centrally based Canadian government? Move. Just get up and move.

One of the reasons I decided to run as a member of parliament followed what the Prime Minister of the day said in a late November or early December town hall meeting on the CBC. A woman very passionately and eloquently told him that she had her education, that she was trying to look after her children and that she was finding it difficult to get a job. She asked the Prime Minister what he and his government could do to help her.

Routine Proceedings

The Prime Minister's answer at that time was "In life some people are lucky, some are not. You may have to move."

It is quite obvious that that attitude permeates the entire Liberal government. All that is heard by the people who have worked for centuries in the resource is "you have to move". That is an attitude that is absolutely despised on the east coast of Canada and in northern Quebec.

This report exemplifies the courage, the stamina and the wisdom of people on the east coast. The fact of the matter is that these people know the resource better than any of us. They have worked it for hundreds and hundreds of years.

Speaking of the tragedies of the policies of DFO, at the beginning of this year the town of Canso, Nova Scotia, which is a wonderful small coastal community, after over 400 years of self-sufficiency, will have to claim civic bankruptcy. It is the first time it has ever had to do that.

All of the young people are leaving and all of the businesses are slowly shutting down for one specific reason: the town had no access to fish. What they did get was minuscule.

The Friday before last I took a tour of Canso and the town of Mulgrave, Nova Scotia. Mulgrave has the only shrimp peeling and processing plant in all of Nova Scotia. Earlier this year the government of the day, in its wisdom, gave 28,000 additional metric tonnes to Newfoundland and Labrador. Not one tiny little shrimp went to the town of Mulgrave. These people begged, they pleaded, they argued, they did every single thing that could be done to convince DFO that all they wanted to have was 2,000 metric tonnes of that 28,000 metric tonne allocation. They got nothing.

Even the provincial Liberals with their current minister of fisheries, Mr. Colwell, and Mr. MacLellan, the premier of Nova Scotia, did absolutely nothing to help these people. That means that the premier of Nova Scotia has absolutely no clout with his current friends in the Liberal government.

The result of this will be that at the end of this year the town of Mulgrave will lose its shrimp peeling plant. It will move to Newfoundland where it can have access to the shrimp.

The owner of ACS Trading is a business person. He loves the town of Mulgrave. He pays very good wages to the people when they can get work, but the fact is that they have no access to the shrimp.

As a business person he will have to move his plant to Newfoundland where they have excess access to shrimp. Parts of Newfoundland are asking for Nova Scotian boats to go up there and help them catch all the quota they have. It is like a Klondike with the shrimp up there. Mulgrave got absolutely nothing.

The same applies to the town of Canso with respect to turbot. When I visited Canso there were 11 boats in the harbour, all of them from P.E.I. Every one of those boats had lobster licences, they had crab licences and as a bonus to them all they had tuna licences.

In this report we talk about adjacency. Adjacency means that those people who live closest to the resource should have first access to the resource, working in conjunction with the other provinces in the area. The problem is that Canso only has two tuna licences, while P.E.I. has hundreds.

• (1020)

These boats were catching tuna within a rock's throw of the dock in Canso. The people in Canso watched all their tuna being caught by other provinces. The people of Canso have no access to it, except for two little licences. It is absolutely incredible that this government can pit one province against another. The result is that these people have to go on EI.

Now, with the changes to EI, they cannot even do that. They go right to social assistance. These people have all the pride, all the love and all the hard-working skills to maintain themselves in a productive society. What is this government's response? It turns around and hits them and hits them and hits them with bad regulations that will do absolutely nothing for their future and their families.

What is the ultimate answer from this government? Move. In a town where their great, great grandfathers and grandmothers are buried, where all their ancestors lived, where they grew up, where they love to live, the response from this government is to move.

Move to where? Toronto? Next fall 2,000 people at the Boeing plant, the McDonnell Douglas plant, are going to lose their jobs. How are these people who fished all their lives going to compete for jobs with highly skilled people from the Boeing plant? What is going to happen then? It is absolutely criminal.

I wish for once that members of the centrally based Canadian government would get out of their chairs, out of their offices and en masse go to the town of Canso to have a look at what is going on.

There have been 50 different requests in a year and a half from the member for Pictou—Antigonish—Guysborough, from myself and from our party for the current Minister of Fisheries and Oceans to go to Canso to speak to these people. What is his answer? No.

These people even came up to Ottawa to speak to him. What was his answer? "I can't speak to these people". He is the Minister of Fisheries and Oceans. His job is to speak to people from the fisheries and oceans world and he refuses to meet with them. But he has absolutely no problem meeting with his friends, Mr. Bob Wright of the Oak Bay Marine Group, on the west coast. He receives one phone call and he is there. Thousands of people on the

Routine Proceedings

east coast of Canada deserve and need this man's attention and his department's attention to the failures of the practices and policies of DFO, and the answer is no because it does not fit into the general plan.

In conclusion what I am going to be saying is exactly what has happened to these people and why it is happening. The fact is, this government, in its slippery backhanded way, has privatized the fishery. Through the ITQ system the five big corporations on the east coast control over 70% of the fishery resources on the east coast. Right now they have 50% and through individual transfer quotas they have an additional 23%.

There was a gentleman from the great town of Sambro, near Halifax. He was 48 years old and had a grade five education. I watched him baiting his lines and putting them into a bait box. He looked at me with all the experience of the world, with a really weathered face and said "You can have it this way in the fishing industry. You can have one man make \$210,000 a year, or you can have seven of them make \$30,000 a year. Make your choice".

My choice was very simple. People who can earn \$30,000 a year are extremely proud people. They are proud of who they are. The recent Swissair disaster in Nova Scotia proved exactly how proud these people are. That fisherman was one of those people who late at night risked his life to see if there was any possible way to recover bodies or survivors from that ill-fated flight. That is the type of people these fishers, plant workers and families are. This government wants to shut down their communities.

At least Joey Smallwood when he was premier of Newfoundland asked them to leave. This government does not have the courtesy to meet with these people. These people, to put it in ocean terms, are the salt of the earth. It is an absolute disgrace. Every single Liberal member should be absolutely ashamed that these people can be treated that way.

• (1025)

I ask the Liberals to go to the east coast to meet with these people. I ask them to read the east coast report and ignore what the Minister of Fisheries and Oceans and his useless bureaucrats have done. I ask them to read it for themselves. If they do not believe us, they should go there themselves, have a look and talk to these people. Then they will understand once and for all that these people want to work. They do not want the damn TAGS program. They do not want the useless EI programs. They do not want social welfare. They just want to work. These people have been working the resource for hundreds of years. All they want to do is work.

I am giving this government one more chance to vote for concurrence in the east coast report. There were nine Liberal members who voted for concurrence in the report at committee. They agreed to it. It is a unanimous report. When we have the vote

today we are going to see those people sit like little sheep and vote against it because they have been whipped into cowardice and do not have the balls to stand by what they read.

The Acting Speaker (Mr. McClelland): Perhaps the hon. member for Sackville—Eastern Shore will retract the statement and then proceed. He has three minutes and 56 seconds.

Mr. Peter Stoffer: Mr. Speaker, out of respect for the Chair and this House, I retract that last statement.

They do not have the courage to stand by what they wrote in the report. Their own minister will not even go down to meet with these people. The fact is that my beautiful province of Nova Scotia, the other three provinces of Atlantic Canada and Quebec have been devastated by the policies of this government.

Another thing this government has done with its so-called TAGS adjustment program is to off-load the responsibility for the care of these people onto the backs of the provinces.

On September 1 over 9,000 people in Atlantic Canada had to apply for social assistance. Before that they were either on the TAGS adjustment program or they were working, gainfully employed, but because of these policies they were destroyed by this government.

These people are now the responsibility of the provinces. What will the provinces do? They will download that responsibility to the municipalities. The municipalities will not be able to bear the burden. We have the result of the town of Canso. The people throw up their hands and say "We cannot handle it any more. We have to claim civic bankruptcy in the new year". That is an absolute disgrace.

In 1995 we were in Catalina, Newfoundland, and there were 320 kids in the school. We were there in 1997 and it was down to 125. The town of La Scie, Newfoundland, does not have a volunteer fire department any more because all the guys left. There is no work for them any more.

I do not know how these Liberal people can sleep at night. Obviously they live in Ontario and Quebec. They do not live in the areas that I represent. Even the Liberal member for Labrador had tears in his eyes when we were talking to people in his area. These people are devastated and all he wants to do is help them.

I give him, the member for Malpeque, the member for Miramichi and all of the other members who are from that region the opportunity to stand up once and for all for their people in Atlantic Canada and vote for concurrence in the east coast report.

Routine Proceedings

Mr. Gary Lunn (Saanich—Gulf Islands, Ref.): Mr. Speaker, I too have travelled with the hon. member who just spoke and I have three questions I would like to ask him as he has again moved for concurrence in the report that was unanimous in having members rise in this House to stand up for their constituents.

As the member knows, the former chairman of the fisheries committee was removed by the Government of Canada. He has stated that publicly on the record. He stated that before the media, along with other members of the committee. I would like his comments on that. Does he believe that the chairman was removed from the committee for speaking the truth and that other members of the committee were dealt with by the government in the same way and forced to vote against their report?

I would also ask the member if one of the major components of the report is that not only the minister but the current structure of DFO in every community is not working.

• (1030)

I ask the hon. member for his comments on whether he believes the current structure of DFO can work or his comments on what he feels needs to be done.

Mr. Peter Stoffer: Mr. Speaker, I thank the Reform Party member from Vancouver Island for his question. He was with us on that tour. We also had the opportunity to tour his province to discuss the concerns of the west coast.

Although I did not mention it in my speech, when I came to House of Commons I honestly believed that a committee could be independent of government. I believed that a committee could listen to witnesses, write down their concerns in booklet form, in a pamphlet or in a report and present it to the House of Commons so that all Canadians could see it.

What was the response? It was typical. The government removed one of its most outspoken backbenchers, the member for Gander—Grand Falls. He had fought for over 24 years for the rights of fisher people in his riding. The response of the government was that he had to go. The DFO could not handle the truth so the chairman of the committee was silenced.

That chairman was able to bring five political parties together. We left our politics at the door and dealt with the problems on the east coast. I congratulate the member for being able to do that and I scorn the government for removing him from the committee.

Regarding the structure at DFO it absolutely has to change. It has to get out of Ottawa and to where the resource is. It has to start working with the people who work the resource. We should do that right away.

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, I listened attentively to my colleague. My question is based on what he was saying about the shrimp fishery.

Essentially we are dealing with Liberal provincial administrations in the four Atlantic provinces. All this shrimp is being transferred to P.E.I. or to Labrador and Newfoundland for processing. What does the government have against the premier of Nova Scotia?

Mr. Peter Stoffer: Mr. Speaker, to clarify the shrimp issue, it was not transferred anywhere. It was just given to Newfoundland and Labrador.

The ironic thing is that every time I rise to ask a question of the Minister of Fisheries and Oceans he is not here. He happens to be the premier of Newfoundland at the same time so I have to ask the stand-in for the Minister of Fisheries and Oceans.

There is no question that the Premier of Newfoundland has an awful lot of clout and an incestuous relationship with the people in DFO. Because of that the rest of the provinces and Quebec are falling behind. Our provincial premiers in the three provinces of Atlantic Canada and in Quebec have been unable to crack the dent within DFO and get it to listen.

If the Minister of Fisheries and Oceans does not want to meet with fisher people and their families, why would he want to meet with provincial premiers from those provinces?

[*Translation*]

Mr. Gérard Asselin (Charlevoix, BQ): Mr. Speaker, first I would like to get some clarification from the NDP member who just spoke. I also want to congratulate him for caring about the groundfish fishery.

Did I hear that the government set up a committee with a majority of members from the Liberal Party of Canada and some opposition members? The committee drafted the report after hearing a number of witnesses from all over Canada, people who were experiencing problems relating to the fisheries, people who had been invited or who had asked to be invited by the committee to make representations.

You will agree that the government spent a lot of money on that committee, which was nothing but window dressing. The whole thing was just for show. The government said "We are listening to you, we are taking note of your claims and we will ask the minister, following your testimonies, to amend various clauses of the bill".

• (1035)

The report was unanimously approved and signed by all committee members. If I heard right, when the time comes to vote in this

Routine Proceedings

House, some members will go so far as to renege on their commitment and deny their involvement as well as the seriousness of the report, supposedly because the government does not recognize the time that members from the NDP, the Reform Party, the Bloc Québécois and the Progressive Conservative Party have put into the report. We worked with diligence to produce that document. We members of this House have better things to do than just go through the motions when we sit on a parliamentary commission or committee.

I am asking the government and the members who sat on that committee to show some respect. When the House votes on the report, I hope that government members will rise and support it. I would appreciate it if the NDP member could tell the House, or explain more clearly, what happened to make these members vote against a report that they endorsed.

[English]

Mr. Peter Stoffer: Mr. Speaker, I give praise to the nine Liberals who were on the previous committee. They worked very hard. I give the former chairperson top credit for the work he did. The other eight Liberal members were extremely helpful. I will not deny that for a second, but at the same time so were the members from the Reform Party, the members from the Bloc, the members from the Progressive Conservative Party and ourselves.

We actually got together and put our policies and politics aside to work on the problems of the east coast fishery. It was a lot of fun to be part of that historical moment. The co-operation and communication among all of us were fantastic.

In answer to the member's question, the government voted against concurrence in the west coast report which was moved by the member for Vancouver Island North. Those Liberals voted against it. Some of them were not even here to vote against it although they were in Ottawa. If government members hold true to form I expect them to vote against it again.

That is why we are giving them the opportunity to stand in the House and prove one more time that the committee is not a waste of money, that when we meet these people in their communities, something the minister cannot or will not do, we actually listen. We offer them hope and encouragement to go on with their lives.

The Liberals have one more opportunity and I encourage every one of them to vote for concurrence in the east coast report.

[Translation]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I am very pleased to speak on this motion by the NDP member because there is indeed a fundamental problem in Canada, whether in western, eastern or northern Canada, when it comes to fisheries management.

Years ago, from 1922 to 1984 approximately, we benefited from devolution in the field of fisheries, and this was particularly true in Quebec. Then it stopped, and fisheries have done very poorly ever since. I would go so far as to say that the reason the fish are gone is because there is no more devolution. The fact of the matter is that the whole fisheries area has been terribly mismanaged.

All sorts of problems are being experienced. Two reports have been tabled in Parliament, but the federal government is still turning a deaf ear. In fact, the last report saw the chair of the committee resign and be replaced. Today, a new one is depicting a situation urgently requiring that the government act on this report. We are facing a crisis both on the west and the east coast. It is important that action be taken very soon, in the next few weeks or months.

● (1040)

We should support this report and make sure that the government acts on it. Perhaps it has finally become clear that, with respect to fisheries as well as many other areas, the jurisdiction granted to the federal government under the constitutional document of 1867 should have been granted to a more local authority instead, an authority that could properly manage fisheries within that region.

The situation of fisheries in western Canada, in the Pacific region, is not necessarily the same as in the Atlantic region, and the economic impact may not be the same either. We know how important salmon is to western Canada. Solutions must be found that are tailored to the situation over there. Viewed as a percentage of Quebec's overall economy, the fishery is not a key component. But, for the regions affected, the Gaspé, the Magdalen Islands, the entire North Shore, the Gulf of St. Lawrence, the repercussions are serious.

There should be different solutions to this sort of problem in each of Canada's regions. For many years now, a blanket approach has been taken. Solutions have been imposed by the federal government, backed by technical and staff expertise that may be useful, but that does not include on-site visits to ensure that the decisions taken are advancing the industry.

The government has been forced to learn a great deal from the many errors made. Because there are no more fish in the oceans, the emphasis is on developing aquaculture. This is a promising and important sector, but it should not be developed purely for lack of anything better.

Turn-of-the-century pictures depicted Europeans, Quebecers and Canadians fishing off Canada's shores. There were fish in abundance for people from throughout the world. Today, we are faced with critical situations that have nothing to do with natural cataclysms and everything to do with bad management.

Routine Proceedings

I think the federal government has to approach this problem from a very different angle. It has already received some very important messages from Canadian parliamentarians. It is high time it listened. It has to be able to tell the inhabitants of these regions that they have a future, that there will be better management in the future. This would also give local authorities improved control.

When the future of one's community is at stake, one takes a very different approach than if one were doing a report on the fishery for another part of Canada. When one lives in Ottawa and does a study on the fishery in western Canada or in the maritimes, the implications are not the same as if one lived in the communities affected.

I therefore hope the federal government will listen and that this House will take action on the member's motion.

[*English*]

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, I listened intently to the hon. member's statement and he is absolutely correct. However I have a question for him.

After \$4 billion being spent on readjusting the industry, thousands of people and hundreds of communities are in turmoil. The resource itself is in serious depletion and in serious trouble. We have not even had an inquiry on this subject yet.

Would he not agree with what I have been calling for since I got here, some form of a judicial inquiry into the practices and policies of DFO? Would he not agree that an inquiry or a total review of the current DFO would be necessary?

[*Translation*]

Mr. Paul Crête: Mr. Speaker, the present situation is rather desperate.

A few years ago, the Atlantic groundfish strategy was put into place. Judging by its words, the federal government's intent was to face the problem head on, and to try to find a solution. In practice, however, nothing has been done, and the program has served instead merely as a support program.

• (1045)

Of course, people needed to survive, and they needed a minimum income to do so, but the fundamental objective of the program, which was to ensure diversity in regional economies, was not realized.

Today the hon. member is saying "Ought we not to have a committee, an in-depth study, a commission of inquiry?" Something to put the fisheries back on track. We have to find the right

solution, and we must not have commissions lasting two, three, four, five or ten years, because the situation is urgent.

All manner of solutions have already been proposed by the people living on the coast, and proposals have been made in reports by various parliaments. Let us find a solution. It could be called a task force or go by some other name, but the important thing is that control over the decisions on this matter be given to elected representatives.

I think we have had proof already. The government authorities have abandoned their responsibilities in this area, in many cases turning them over to people who did not necessarily share the same concerns for developing the regions in question. The message I pick up from the hon. member is that yes, action is urgently needed, and that solutions require us to have a clear picture of the situation, but the action must be immediate. Action must be taken to allow these regional economies to get back on their feet promptly and not to have to continue to live with today's reality of a subsistence program for a number of years more, while the objective of economic diversification remains unmet. Nowadays, we no longer even dare refer to that objective.

The communities are up against a brick wall, with no future in sight. If this were not the case, it would be worthwhile for the House to follow up on the hon. member's motion.

[*English*]

Mr. Gordon Earle (Halifax West, NDP): Mr. Speaker, I commend the hon. Bloc Québécois member and also my colleague from Sackville—Eastern Shore for their comments about how important this east coast fishery report is for the Atlantic region. It is of significance to my community of Halifax West where there are many fishing communities. The importance of the recommendations in that report cannot be underscored enough in terms of how it will assist the people in those communities.

As a member I find it very disturbing that people can deal with a report or an issue, come to a conclusion and then not have the strength and the courage of their convictions to vote in favour of what they decided was in the best interest of all. Before I entered politics I said that I would not allow politics to change me. It saddens me as I sit in the House and watch time and time again the faces of people on the government side as they vote on issues in a manner other than which they believe. It is very discouraging. I have talked to many people individually. We saw it happen with the APEC situation. People have told me they believe in the human rights issues involved but when it came to the vote we saw a different thing.

This report provides another opportunity for those people who are seriously concerned about the well-being of the fishers on the east coast. It provides an opportunity for them to stand up and be counted and to do what is right in the eyes of all.

*Routine Proceedings**[Translation]*

Mr. Paul Crête: Mr. Speaker, the member's remarks made me think about the fact that the Bloc Québécois critic on fisheries, the member for Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok, is responsible for a committee covering between 70% and 80% of Quebec's fisheries. The part not covered is the north shore.

This member has expertise in the area and has spent a lot of time in the past year working on a report. He left it up to the Standing Committee on Fisheries and Oceans to produce a report on the situation in the Atlantic region. This report was unanimous on the whole situation. The committee did a thorough investigation.

The member was involved in consultations throughout the area and today he can say that the report on western Canada is valid as well.

• (1050)

This Parliament should pay tribute to the members who took part in this task, especially those with expertise in the area, who claim to speak for the fisheries sector. Their arguments should be heard and the report read so there will be a follow-up to provide a way out of the trap people are in today. This trap has created a total catastrophe in the fishing industry.

[English]

Ms. Louise Hardy (Yukon, NDP): Mr. Speaker, I would like to ask the member if he sees this as an overall pattern in the direction that the government goes. The government denies or mismanages resources and forces people off the land and away from their resources, whether from the land or water. Then the government makes it doubly difficult because the former support of unemployment insurance is no longer there to carry people through a hard time.

I do not know if anyone in the House realizes this, but the fishery in the Yukon was severely affected this year. Very few salmon came up the river. The people who depend on it to catch three to fifteen fish a day to make it through the winter are no longer going to be able to do that. People do not think of the Yukon River flowing up into Dawson but it is dependent on the oceans and how we manage our oceans and the fisheries.

[Translation]

Mr. Paul Crête: Mr. Speaker, the situation today in the fishing sector is the result of a fundamental choice made by "Canada's economic thinkers", a few years ago. Whether it be information on employment insurance reform or the government's budget choices, there is an underlying force encouraging people to move where there are jobs.

The decision was made in Canada to no longer guarantee the future of communities. Instead, the people in the communities would decide to go wherever the market required, regardless of their skills, expertise or the fact that they had raised families in a given community. This basic choice underlies a number of government policies. Today, several thousand people are living with the very negative effects of this choice.

The member gave the agricultural sector as an example, but the same situation exists in the fishing industry. I think it is in this industry that we see more of the effect of this basic choice, where a few years ago they were saying "the future is the law of the market, there is no need to guarantee the future of small communities. We just have to move the people".

The first experiments in this regard were carried out in the Gaspé peninsula. You will remember that some 20, nearly 30, years ago, the people who lived in the area were moved so Forillon Park, a federal conservation park, could be established. The people living there were moved out and into low cost housing outside the park. At the same time, people from outside were hired to work in the park.

This is the sort of experience that resulted from a principle I consider unacceptable, one that should be changed. We in Canada must debate the matter of priorities to make sure that people can live in their community—rural or urban—and that we never again go through experiences like those of today in the fishing industry.

[English]

Mr. Gary Lunn (Saanich—Gulf Islands, Ref.): Mr. Speaker, I too would like to comment on this issue. I thank the member for moving concurrence. He is really asking for the government members who participated in the writing of this report to stand up for their constituents and to vote for the report. This matter goes a lot deeper than that.

In effect what we are talking about is that the committee performed a consultation process as committees do. It spent a lot of taxpayers' money, and rightly so, going around listening to Canadians, coming back and writing a report with recommendations. The problem that has arisen out of all this is that we have ended up with a report that is deeply critical of the government, its policies and its department. The government had a very, very significant problem with this.

• (1055)

The government had to make extremely radical changes. The government had to remove the chairman of the committee. The government had to make changes on the committee because it did not like what was reported.

The government has made the committee ineffective. It has completely stripped the committee. This was the government's

Routine Proceedings

solution. It saw no other way around this. The government could not stop the committee from writing this report.

In fact a majority of the members of the committee who signed off on this report were Liberal members, members from the government. They had an opportunity in committee to vote against this report. Not only did they vote in favour of it, in many cases it was those members who wrote the recommendations.

The issue goes even further than that. This demonstrates how ineffective this House is. It is not just the committee. The government silenced the opposition members. We need to change how this whole system operates.

We spoke earlier of the systemic problems within DFO. Every member on the committee talked about that. They recognize what needs to be changed. They recognize that we have to move control from Ottawa out to the regions. That was talked about over and over and over again, that it did not work in a country such as ours with people in Ottawa making decisions on how to manage this fishery. Again the record speaks for itself.

It goes on to this House. It makes this House ineffective. The Senate is ineffective. This is recognized by all Canadians. We hear over and over again that there needs to be change.

It is the same thing in this House. The Government of Canada, a very few people on the other side have control. The majority of the people on that side of the House have to sit back and do as they are told. They have to take their marching orders. We have a handful of people running this country at a great expense to the taxpayers. It is appalling.

This is just one small example of what goes on in this House. The east coast report is written. The committee, 16 members of parliament, travelled through some 15 communities, five provinces in Atlantic Canada, wrote a very comprehensive report and made numerous recommendations to the government. What was the minister's response? The minister scoffed at it. He looked at this report and tossed it in the trash. The minister was not going to listen to this.

The minister's problem was that nine of his government's own members, his own parliamentary secretary, the junior Minister of Fisheries and Oceans, signed off on the report. The government said "We have to make some changes. We have lost control of this committee. First of all we had better fire the chairman. The chairman would appear to be part of the problem". The chairman has had a lot of experience, 24 years in this House. The government removed the chairman and started to make changes.

We have not had an adequate response from the government on this report. There are a lot of good recommendations. Again I emphasize that this is an example of how we have to reform this federation. It clearly is not working. We have to look at that.

Canadians are demanding that change, and it goes from the committees to this House.

One of my most positive experiences in my first year as a member of parliament was the fisheries committee. I said that over and over when I travelled through British Columbia and in my riding. One of the more positive experiences was working on a committee with 16 MPs from five political parties. We left the political biases outside the door, focused on solutions, on what was best for Canada and how we could best put forward some alternative solutions.

Imagine trying to get 16 members of parliament from one party to agree, never mind from five. We had the NDP, the Bloc, the Reform, the Progressive Conservatives and the Liberals. Sixteen members of parliament agreed on some possible solutions which could improve the situation in Atlantic Canada and which could improve the disparity that is out there.

• (1100)

What did the minister do? He tossed it in the trash. He did not want to look at it; it might have made some sense. Actually it might give the committee some credit. It was not his ideas so there was no way he could listen to it. He threw it away.

I want to go back to how ineffective the government is. It sees an opportunity to do something positive, but it has that tight group that surrounds the Prime Minister. He is the one who has control. He is the one who fired the chairman of the fisheries committee. That was stated by the member in the media.

I have no doubt the Prime Minister is the one who is saying that we have to rein in this committee. People across the country are listening to the committee. The media is listening to it. The media is reporting it. I think we wrote three reports last year and are about to complete two more from one year's business. It made numerous recommendations, but the government absolutely refused to pay attention.

We need change. Canadians want change. I had people call me last week about this committee of which I am still a member. My first thought was that if the government's response after spending hundreds of thousands of dollars of taxpayers' money—and this is what it cost for us to travel here and there and do this work—is to literally toss it in the trash can, why would it spend that kind of money?

I recognize the government is in power and is the ultimate decision maker. However it tossed aside a report with which the majority of committee members agreed. Nine of the government's own backbenchers including the junior minister of fisheries and oceans signed off on this report. They participated in its writing. They participated in going through the report line by line, word for word, and when it came to the House it was tossed in the trash can

Routine Proceedings

because the guy at the top of the triangle said "Sorry, boys, we cannot do that". This is inexcusable.

It is a clear demonstration of how this federation has to be reformed. From the committees to the House of Commons to the Senate the system is not working. This is only one example, a minuscule part of the Government of Canada.

I look at the amount of money that has been spent and I have to honestly say to all taxpayers that they are not getting the bang for their buck. They are not getting the value for the dollars spent.

I do not expect the Government of Canada to adopt every principle or to adopt everything we say, but it should have listened to us. Its own members wrote this report and walked into the House, but the guy at the top of the pyramid said no. They all followed behind like a bunch of sheep. Why did they go to the committee in the first place? Why were they even there?

What the government is doing is inexcusable. It has been the most frustrating part of my experience in Ottawa, after spending a year in a good working relationship with members from all parties, for it to come to the House and be tossed aside and ignored.

The problem lies at the top of this pyramid with the minister and the senior cabinet ministers. The Minister of Fisheries and Oceans had absolutely no interest in following any of the recommendations.

I conclude by saying that this leads to a much bigger issue. The issue is that we have to reform this federation. We have to reform how the government works. We have to be accountable to the people to ensure that they are getting the best value for their dollars. There has to be change. This is a clear example of that.

• (1105)

Mr. Wayne Easter (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I have been listening to this debate for some time. Earlier this morning I listened to the member for Sackville—Eastern Shore. I hoped that by the time we reached the member for Saanich—Gulf Islands a little common sense would creep into what members opposite are saying.

What we have seen here is rants from the opposition without any substance. There was indeed a good consultation process. The committee came up with some good recommendations. If the members opposite would just read the response of the minister, they would see that the committee report had done some substantial gain in terms of moving DFO a little further down the path to better represent fishermen.

We have listened in terms of the consultation process. The member said in his speech that he did not expect to get everything

the committee recommended. Nor did we. We heard from fishermen in earnest and we made very tough recommendations.

The problem with members opposite is that when the facts on foreign fishing are outlined to them, they do not agree with them even though they are the facts and are articulated in terms of observer reports by DFO, by NAFO and by others. They throw those arguments out. They do not want to hear the facts. They want to believe what they believe and not listen to the facts. That is what we are getting from members opposite.

He talked about the people who signed the report. Let me quote a dissenting report in the east coast fishery report signed by the member for Saanich—Gulf Islands who recommended that any program beyond May 1999 would be premature at this time. The member likes to stand in the House and leave the impression that he wants to help those fishermen out when he recommended against a program, likely on the orders of his leader, to help them out. In the recommendations TAGS was extended and fishermen are benefiting from that.

There is a renewal strategy in place. Members opposite should recognize that rather than this rant without substance. We did strengthen management of a renewal strategy program. We put \$1.9 million into recruitment and training programs for fisheries officers. We are training fisheries officers now so that there will be better enforcement, so that we protect against illegal activities in the fisheries program, and so that we move ahead and have a fisheries for the future. There is substantial change.

Will the member opposite not agree there has to be change in the fisheries and that hard decisions have to be made? The minister was recently given a conservation award in New York.

Mr. Peter Stoffer: He gave \$6 million to the people who gave him the award.

Mr. Wayne Easter: The member for Sackville—Eastern Shore is saying that is not correct. It is correct. It was for conserving the fishery.

Would he not agree that the minister is changing the fishery but conserving it so that there will be a fishery of the future? He has a vision on where to go.

Mr. Gary Lunn: Mr. Speaker, the junior minister of fisheries and oceans said they went through a consultative process and made great recommendations of which he was a part. If he is so proud of that report and I am wrong in what I am saying in the House, why will he not stand to vote for it in the House? Why will he not stand up for the people of Prince Edward Island, the people of Atlantic Canada, and vote for them in the House today? He will not because he has been ordered not to do so.

Routine Proceedings

• (1110)

He said that I had written a minority report. Yes, I did, on one recommendation, recommendation 10F on the TAGS program after the government spent \$2 billion to pay fishermen to sit at home and wait for the fish to come back. I said that was not working and that we should invest some money in the fishery. I have no problem spending money to invest in the fishery to ensure that it comes back. Not everybody agreed with it, but I felt strongly enough that I had to put it on the record with one recommendation, that we would not spend \$2 billion of taxpayers' money to pay fishermen to sit at home and wait for the fish to come back.

Let us fix the problem. For five years the government's solution was that the fish were gone. It threw in a couple of billion dollars and hoped the problem would fix itself. The Liberals do not realize that they are the problem. Their own department is the problem. Their minister is the problem. They made no substantive changes to the fishery. The same people who destroyed the Atlantic fishery over the last 20 years are the people who are in charge today. They are the people who are in the process of destroying the west coast fishery.

If the member is so proud of this report, he should stand today to vote for concurrence in the report. He should stand up for the people of Prince Edward Island and all other Atlantic Canadians and show them that you are sincere in your comments.

The Acting Speaker (Mr. McClelland): I remind hon. members to address challenges to each other through the Chair.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, the junior minister of fisheries and oceans was quoted as saying we now have much better observer reports from the foreigners. Has the junior minister ever seen a foreign observer report? I would put it that he never has. How do we know they are worth anything?

He also said that the Minister of Fisheries and Oceans received a conservation award from the Atlantic Salmon Federation. The fact is that the department which he runs gave the federation \$6 million, and a few months later the minister got an award from the same people he gave the money to. He literally bought that award. It has nothing to do with conservation.

The government is concerned about recommendation No. 9 on foreign observer reports. Have we ever seen a foreign observer report? We have not. Has the government ever seen a foreign observer report?

Mr. Gary Lunn: Mr. Speaker, I thank the hon. member from Nova Scotia for reminding me to talk about the observer reports to which the junior minister of fisheries and oceans has referred. He said saying that we had all these wonderful observer reports with which to write this report.

The fact is that we were denied access to them. We put a motion to the committee asking for observer reports. We made numerous requests through the chair who was fired for demanding the observer reports. The government offered the reports to us in camera. It said it would give the reports to us in secret but we could not let the Canadian people see them because there was a lot of stuff it did not want Canadians to see.

We were not given the observer reports. The Government of Canada kept them secret. Why? It was because they are ineffective. We later learned that the observers on foreign vessels were coming from the nations where the vessels came from. They report when they get back to the port of their flag country. They are meaningless and the government would not release those reports.

The ones we obtained where we actually had some input contained numerous violations by foreign states in Canadian waters of which the Government of Canada was aware. What did we learn? We learned there was no way the government would prosecute them or pursue them.

We never saw the observer reports to which the junior minister of fisheries and oceans refers. That is all on the record.

Mr. Wayne Easter: You were offered them and you refused them.

Mr. Gary Lunn: We were offered them in a secret meeting. The member is yelling at me from the other side of the House, saying that we were offered the reports. Yes, we were, in camera, which means in secret. We were not supposed to let anybody else know what was in them because the government was embarrassed and did not want them in the public domain. That is appalling.

• (1115)

Ms. Marlene Catterall (Ottawa West—Nepean, Lib.): Mr. Speaker, I have to say I was stunned to hear the member for Sackville—Eastern Shore bring this issue up again today.

First, the House just dealt with it last week and voted on it last week.

Second, the NDP had a full opposition day last week. If this is such an important issue to the member for Sackville—Eastern Shore and to his colleagues in the New Democratic Party, they would have made this the subject of a full day of debate in the House of Commons.

We are known as Canadians for being somewhat self-effacing, but I am not sure why the member for Sackville—Eastern Shore has to be so self-effacing as to suggest that this country should not be proud that the Minister of Fisheries and Oceans was awarded the conservation award of the Atlantic Salmon Federation and has to somehow suggest that the minister did not deserve that award.

Routine Proceedings

As Canadians of course we do not think any of us deserve any recognition. Personally I and my colleagues are proud of the minister for having won that recognition.

Members may interpret this somewhat as picking on the member for Sackville—Eastern Shore today. But I was astonished as well to hear this member suggest that the only people in the House with courage and daring are those who happen to have certain male appendages. I do not, but I consider myself pretty daring and pretty gutsy.

Mr. Peter Stoffer: Mr. Speaker, I rise on a point of order. I have the greatest respect for the member, but the fact is I did withdraw that statement.

Ms. Marlene Catterall: Mr. Speaker, I recognize completely that the member withdrew his statement.

Given the circumstances, I move:

That the House do now proceed to orders of the day.

Mr. Randy White: Mr. Speaker, I rise on a point of order. Actually the Liberals are quite incorrect. This is an important issue and we do have members here who are concerned about the east coast fishery. I would like to ask—

The Acting Speaker (Mr. McClelland): That is really a question of debate. We have a motion on the floor so we have to deal with that before we deal with any subsequent questions.

Mr. Gary Lunn: Mr. Speaker, I rise on a point of order. The hon. government deputy whip stood when you resumed debate, gave a wonderful speech and talked about the member from Nova Scotia. I believe we should get 10 minutes of questions and comments following that.

The Acting Speaker (Mr. McClelland): That is not a point of order.

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.

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

Some hon. members: Nay.

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

And more than five members having risen:

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

● (1205)

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

(Division No. 246)

YEAS

Members

| | |
|----------------------------------|------------------------------|
| Adams | Alcock |
| Anderson | Assad |
| Assadourian | Augustine |
| Axworthy (Winnipeg South Centre) | Bakopanos |
| Barnes | Beaumier |
| Bélair | Bélanger |
| Bellemare | Bennett |
| Bertrand | Bevilacqua |
| Blondin-Andrew | Bonin |
| Bonwick | Boudria |
| Bradshaw | Brown |
| Bryden | Bulte |
| Caccia | Calder |
| Cannis | Caplan |
| Carroll | Catterall |
| Cauchon | Chamberlain |
| Chan | Charbonneau |
| Clouthier | Coderre |
| Cohen | Collenette |
| Comuzzi | Copps |
| Cullen | DeVillers |
| Dhaliwal | Dion |
| Discepolo | Dromisky |
| Drouin | Duhamel |
| Easter | Eggleton |
| Finlay | Folco |
| Fontana | Fry |
| Gagliano | Galloway |
| Godfrey | Goodale |
| Graham | Grose |
| Guarnieri | Harb |
| Harvard | Hubbard |
| Ianno | Iftody |
| Jackson | Jennings |
| Jordan | Keyes |
| Kilger (Stormont—Dundas) | Kilgour (Edmonton Southeast) |
| Knutson | Kraft Sloan |
| Lastewka | Lavigne |
| Lee | Leung |
| Lincoln | Longfield |
| MacAulay | Mahoney |
| Malhi | Maloney |
| Manley | Marchi |
| Marleau | Martin (LaSalle—Émard) |
| Massé | McCormick |
| McGuire | McLellan (Edmonton West) |
| McWhinney | Mifflin |
| Minna | Mitchell |
| Murray | Myers |
| Nault | Normand |
| O'Brien (Labrador) | O'Reilly |
| Pagtakhan | Paradis |
| Parrish | Patry |
| Peric | Peterson |
| Phinney | Pillitteri |
| Pratt | Proud |
| Provenzano | Redman |
| Reed | Richardson |
| Robillard | Rock |
| Saada | Scott (Fredericton) |
| Sekora | Serré |
| Shepherd | Speller |
| St. Denis | Steckle |
| Stewart (Brant) | Stewart (Northumberland) |
| St-Julien | Szabo |
| Telegdi | Thibeault |
| Torsney | Ur |
| Valeri | Vanclief |
| Volpe | Whelan |
| Wilfert | Wood—140 |

Government Orders

NAYS

Members

| | |
|--|------------------------------------|
| Abbott | Alarie |
| Anders | Asselin |
| Axworthy (Saskatoon—Rosetown—Biggar) | Bachand (Richmond—Arthabaska) |
| Bachand (Saint-Jean) | Bailey |
| Bellehumeur | Benoit |
| Bergeron | Bernier (Tobique—Mactaquac) |
| Bigras | Blaikie |
| Borotsik | Brien |
| Brison | Cadman |
| Cardin | Casey |
| Casson | Chatters |
| Chrétien (Frontenac—Mégantic) | Crête |
| Cummins | Dalphond-Guiral |
| de Savoye | Debien |
| Desrochers | Doyle |
| Dubé (Lévis-et-Chutes-de-la-Chaudière) | Dubé (Madawaska—Restigouche) |
| Duceppe | Dumas |
| Duncan | Earle |
| Elley | Epp |
| Forseth | Gagnon |
| Gauthier | Gilmour |
| Godin (Acadie—Bathurst) | Godin (Châteauguay) |
| Goldring | Gouk |
| Grewal | Grey (Edmonton North) |
| Guimond | Hardy |
| Harris | Hart |
| Harvey | Herron |
| Hill (MacLeod) | Hill (Prince George—Peace River) |
| Hilstrom | Hoepfner |
| Johnston | Jones |
| Keddy (South Shore) | Kerpan |
| Konrad | Lalonde |
| Laurin | Lebel |
| Loubier | Lunn |
| MacKay (Pictou—Antigonish—Guysborough) | Mancini |
| Marceau | Marchand |
| Mark | Martin (Winnipeg Centre) |
| Matthews | Mayfield |
| McDonough | McNally |
| Meredith | Mills (Red Deer) |
| Morrison | Muise |
| Nystrom | Pankiw |
| Penson | Perron |
| Picard (Drummond) | Power |
| Proctor | Ramsay |
| Reynolds | Riis |
| Ritz | Robinson |
| Rocheleau | Sauvageau |
| Schmidt | Solberg |
| Solomon | Stoffer |
| Strahl | Thompson (New Brunswick Southwest) |
| Tremblay (Rimouski—Mitis) | Turp |
| Vautour | Venne |
| Wasylcia-Leis | Wayne |
| White (Langley—Abbotsford) | Williams—110 |

PAIRED MEMBERS

| | |
|-----------------------------|------------------------------|
| Canuel | Finestone |
| Fournier | Girard-Bujold |
| Gray (Windsor West) | Guay |
| Lefebvre | McKay (Scarborough East) |
| Mills (Broadview—Greenwood) | Pickard (Chatham—Kent Essex) |

The Acting Speaker (Mr. McClelland): I declare the motion carried.

GOVERNMENT ORDERS

[Translation]

CANADA CUSTOMS AND REVENUE AGENCY ACT

BILL C-43—TIME ALLOCATION MOTION

Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.): moved:

That in relation to Bill C-43, an Act to establish the Canada Customs and Revenue Agency and to amend and repeal other Acts as a consequence, not more than one further sitting day shall be allotted to the consideration of the second reading stage of the said bill and, fifteen minutes before the expiry of the time provided for government business on the day allotted to the consideration of the second reading stage of the said bill, any proceedings before the House shall be interrupted, if required for the purpose of this Order, and in turn every question necessary for the disposal of the stage of the bill then under consideration shall be put forthwith and successively without further debate or amendment.

Some hon. members: Shame, shame.

[English]

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.

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.

• (1250)

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

(Division No. 247)

YEAS

Members

| | |
|------------|----------------|
| Adams | Alcock |
| Anderson | Assadourian |
| Augustine | Baker |
| Bakopanos | Barnes |
| Beaumier | Bélair |
| Bélanger | Bellemare |
| Bennett | Bertrand |
| Bevilacqua | Blondin-Andrew |
| Bonin | Bonwick |
| Boudria | Bradshaw |
| Brown | Bryden |
| Bulte | Caccia |

Government Orders

| | | | |
|------------------------------|---------------------------|------------------------------------|--|
| Calder | Cannis | Doyle | Dubé (Lévis-et-Chutes-de-la-Chaudière) |
| Caplan | Carroll | Dubé (Madawaska—Restigouche) | Duceppe |
| Catterall | Cauchon | Dumas | Earle |
| Chamberlain | Chan | Elley | Epp |
| Charbonneau | Clouthier | Forseth | Gagnon |
| Coderre | Cohen | Gauthier | Gilmour |
| Collenette | Comuzzi | Godin (Acadie—Bathurst) | Godin (Châteauguay) |
| Copps | Cullen | Goldring | Gouk |
| De Villers | Dhaliwal | Grewal | Grey (Edmonton North) |
| Dion | Discepola | Guimond | Hardy |
| Dromisky | Drouin | Harris | Harvey |
| Duhamel | Easter | Herron | Hill (Macleod) |
| Eggleton | Finlay | Hill (Prince George—Peace River) | Hilstrom |
| Folco | Fontana | Hoepfner | Johnston |
| Fry | Gagliano | Jones | Keddy (South Shore) |
| Galloway | Godfrey | Kerpan | Konrad |
| Goodale | Graham | Lalonde | Laurin |
| Grose | Guarnieri | Lebel | Loubier |
| Harb | Harvard | Lunn | MacKay (Pictou—Antigonish—Guysborough) |
| Hubbard | Ianno | Mancini | Marceau |
| Iftody | Jackson | Marchand | Mark |
| Jennings | Jordan | Martin (Winnipeg Centre) | Matthews |
| Keys | Kilger (Stormont—Dundas) | Mayfield | McDonough |
| Kilgour (Edmonton Southeast) | Knudson | McNally | Mercier |
| Kraft Sloan | Lastewka | Meredith | Mills (Red Deer) |
| Lavigne | Lee | Morrison | Muise |
| Leung | Lincoln | Nystrom | Pankiw |
| Longfield | MacAulay | Penson | Perron |
| Mahoney | Malhi | Picard (Drummond) | Plamondon |
| Maloney | Marleau | Power | Proctor |
| Martin (LaSalle—Émard) | Massé | Ramsay | Reynolds |
| McCormick | McGuire | Riis | Ritz |
| McLellan (Edmonton West) | McWhinney | Robinson | Rocheleau |
| Mifflin | Minna | Sauvageau | Schmidt |
| Mitchell | Myers | Solberg | Solomon |
| Nault | Normand | Stoffer | Strahl |
| O'Brien (Labrador) | O'Brien (London—Fanshawe) | Thompson (New Brunswick Southwest) | Tremblay (Rimouski—Mitis) |
| O'Reilly | Pagtakhan | Turp | Vautour |
| Paradis | Parrish | Venne | Wasylcia-Leis |
| Patry | Peric | Wayne | White (Langley—Abbotsford) |
| Peterson | Phinney | Williams—111 | |
| Pillitteri | Pratt | | |
| Proud | Provenzano | | |
| Redman | Reed | | |
| Richardson | Robillard | | |
| Rock | Saada | | |
| Scott (Fredericton) | Sekora | | |
| Serré | Shepherd | | |
| Speller | St. Denis | | |
| Steckle | Stewart (Brant) | | |
| Stewart (Northumberland) | St-Julien | | |
| Szabo | Telegdi | | |
| Thibeault | Torsney | | |
| Ur | Valeri | | |
| Vanclief | Volpe | | |
| Whelan | Wilfert | | |
| Wood—137 | | | |

PAIRED MEMBERS

| | |
|----------------------------------|-----------------------------|
| Axworthy (Winnipeg South Centre) | Canuel |
| Finestone | Fournier |
| Girard-Bujold | Gray (Windsor West) |
| Guay | Lefebvre |
| Manley | McKay (Scarborough East) |
| Ménard | Mills (Broadview—Greenwood) |
| Pickard (Chatham—Kent Essex) | St-Hilaire |

The Acting Speaker (Mr. McClelland): I declare the motion carried.

• (1255)

[*Translation*]

NAYS

Members

| | |
|--------------------------------------|-------------------------------|
| Abbott | Alarie |
| Anders | Asselin |
| Axworthy (Saskatoon—Rosetown—Biggar) | Bachand (Richmond—Arthabaska) |
| Bachand (Saint-Jean) | Bailey |
| Bellehumeur | Benoit |
| Bergeron | Bernier (Tobique—Mactaquac) |
| Bigras | Blaikie |
| Borotsik | Brien |
| Brison | Cadman |
| Cardin | Casey |
| Casson | Chatters |
| Chrétien (Frontenac—Mégantic) | Crête |
| Cummins | Dalphond-Guiral |
| de Savoye | Debien |
| Desjarlais | Desrochers |

SECOND READING

The House resumed from October 21 consideration of the motion that Bill C-43, an act to establish the Canada Customs and Revenue Agency and to amend and repeal other acts as a consequence, be read the second time and referred to a committee; and of the amendment.

Mr. Pierre de Savoye: Mr. Speaker, I rise on a point of order, even though I do not really believe it is a point of order. I was just preparing to take part in the debate, but if my colleague from the Liberal Party is before me, however, I will defer to him. You are the boss, Mr. Speaker.

*Government Orders**[English]*

Mr. Mac Harb: Mr. Speaker, I rise on a point of order. I could have missed this but I thought we passed the motion and we were now going to the introduction of petitions.

The Acting Speaker (Mr. McClelland): The superseding motion was to proceed to Government Orders. We will not be doing petitions until tomorrow.

Mr. Peter Goldring: Mr. Speaker, I rise on a point of order. You might find unanimous consent to revert to the presenting of petitions in order that I may table one petition.

The Acting Speaker (Mr. McClelland): Is there unanimous consent?

Some hon. members: No.

[Translation]

Mr. Roy Cullen (Etobicoke North, Lib.): Mr. Speaker, I am pleased to take part in the debate on Bill C-43.

As with any new government undertaking, the cost aspect must always be considered. In the case of the proposed Canada customs and revenue agency, start up costs are minimal. Only the direct costs associated with the board of management and its secretariat will be new. In both cases, they will be minimal.

Other costs will arise in the normal course of events for the management of human resources and other administrative skills, in order to maximize the new agency's operating flexibility.

All these costs will be offset over time by the savings resulting from streamlined and more efficient internal procedure.

The agency will benefit from the greatly reduced time and energy spent on complex and unwieldy administrative procedures. For instance, under the present system, it can take up to one year to hire the large number of auditors required every year.

• (1300)

The reduction in hiring time and the elimination of numerous vacant positions will substantially lower staffing costs, as well as considerably improve service and the integrity of the overall tax system.

[English]

Besides these operating savings from productivity improvements, there are other potential savings from the new agency. The Public Policy Forum, an independent organization with extensive experience in public sector management, undertook a study to examine the cost of compliance with and administration of Canada's tax systems and the savings from a single administration.

The study concluded that there could be significant savings to Canadian businesses, particularly small businesses, from a single revenue administration. Savings were expected from such activities as single registration for taxpayers, common federal-provincial databases, the combination of certain forms, greater consistency in tax rulings and greater simplification of procedures.

It was estimated that the level of compliance savings to business each year would be between \$116 million and \$193 million dollars at a minimum. The study also examined the administrative costs to governments of tax collection and potential savings. It found that there was a high potential for savings in the areas of personal income tax, corporate income tax and payroll tax because of the similarities at the federal and provincial levels as well as in a common collection system.

Medium levels of savings were expected in the areas of audit and enforcement, client service possibly through a single point of contact, excise taxes and the assessment of returns. Other potential savings were seen to be possible through general reductions in administrative and technical support, such as a reduced requirement for management.

In total it was estimated that administrative costs to governments could be reduced by between \$37 million and \$62 million annually at a minimum. The critical point is that potential savings to individual Canadians, businesses and governments far outweigh the start up and new operating costs of the proposed agency.

Having 11 directors on the board of management nominated from the private sector by the provinces and territories will ensure that the agency continues to operate in a cost effective and responsive manner as would the other accountability mechanisms built into the legislation before this House.

When we have Canadian businesses focusing on marketing, developing products and developing business rather than filling in forms and dealing with administrative matters not only once but twice, then we have efficiencies in the economy. We have businesses out there doing what we want them to do, creating jobs for Canadians.

The Canada customs and revenue agency represents a very significant opportunity for the generation of benefits to the provinces and territories and to Canadian businesses and warrants speedy passage before this House.

I urge all members of this House to support this bill when it comes to a vote.

[Translation]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, as members will recall, on June 4, 1998, one week before the summer

Government Orders

recess, the Minister of Revenue tabled Bill C-43 to establish the Canada Customs and Revenue Agency.

This bill stems from the Speech from the Throne delivered in February 1996, when the government announced its intention to set up a national revenue recovery agency. Initially, this agency will essentially be the existing Department of Revenue turned into an agency operating almost at arm's length from the government, whose mandate will be to negotiate with the interested provinces and municipalities an arrangement for the collection of all taxes in Canada.

Do the members of this House realize that the bill before us basically provides for two things? First, concentrating under one single organization the collection of all federal, provincial or municipal taxes. While there is no mention of it in here, it is very clear that school taxes, gasoline taxes and liquor taxes may also be administered by this agency.

• (1305)

So, the first point to consider is the centralization of all tax collection operations in the hands of a single organization. The second different but equally important point we must bear in mind is the creation of an agency.

This means that the Minister of Revenue, who has been responsible so far for what was going on in his department, will now devolve to a quasi-independent agency the responsibility to collect all taxes.

In this House, when we question a minister about the actions of a government agency, the minister will often hide behind the fact that the agency is independent, competent, self-regulated, and thus enjoys his or her full confidence. In the end, we do not get an answer.

The fact is that this House, which is made up of democratically and individually elected members, can no longer get a minister to account for an agency from which he is removing himself. This is precisely the situation that is proposed in the bill, with the creation of an agency.

It is one thing to centralize the collection of taxes in the hands of a single organization, so as to avoid duplication and reduce costs. Incidentally, Quebec's Department of Revenue—Quebec being the only Canadian province to have its own revenue department—is already collecting the GST for the federal government. This, of course, reduces costs, since the GST is collected at the same time as the Quebec sales tax.

However, while we may achieve economies of scale by concentrating tax collection in the hands of a single organization, to give that responsibility to an agency is a very different matter and one that should be considered much more carefully.

With an agency, the minister is not involved in the ongoing operations of the organization. Take, for example, the CRTC and various other federal agencies. Whenever something happens with these organizations, the minister tells the House "This agency, this entity, can self-regulate. It has investigative tools. In short, it will ensure transparency". But that transparency is never there.

I will mention two cases where there were problems. One is the Somalia inquiry. A commission was set up and was going to take care of everything. Yet, as we know, in the end the commissioners themselves said they had not been able to find the whole truth, as we wanted them to do.

Then there was the tainted blood issue and the Krever commission. I clearly remember asking a question in this House to the then Minister of Health, who replied gently and kindly "The issue is in the hands of the commission. The commission will get to the bottom of this". As we now know, the commission was never able to get to the bottom of the issue.

Here, the government wants to create an agency that will once again operate at arm's length from the minister, with the result that, when asked about it, the minister will simply say "The agency is looking after all this". In my opinion, we must oppose the establishment of such an agency.

Let us now go back to the issue of concentrating the collection of all our taxes in the hands of a single organization.

• (1310)

It is true that, on the face of it, this should result in savings. If this is the case, why not give the Quebec Minister of Revenue the responsibility for collecting all taxes in Quebec? The Quebec Minister of Revenue would then, as he already does with the GST, give the money to the federal revenue minister. Already, this would result in significant savings.

Where I start not being able to follow is when a body is created which would collect taxes not only at the federal level, not only at the level of Quebec or the provinces, but also at the municipal level, even the school board level, taxes on alcohol, on cigarettes, on gasoline. In short, it would be a monster with tentacles reaching everywhere, up to and including the taxpayer's pockets, and worse still, able to keep track of what taxpayers are doing.

Here we no longer have just a body for collecting taxes, but one that also collects information, a lot of information, collective and individual, from sea to sea.

There is a danger here. I appeal to this House to consider the fact that, even if it were economically advantageous to give one single body the right to collect everything considered taxes, both direct and indirect, and any other kind as well, would it be socially acceptable to allow a single body like this one to have all this information concentrated in one place?

Government Orders

I say no. When one body has powers this wide, economic considerations can no longer apply. The consideration that must take precedence is respect of the individual, and of privacy.

Second, the very fact that the minister hands over to an agency powers that are allocated to him by the law is, to my mind, an unacceptable contradiction. An agency cannot be allowed into the pockets of taxpayers to collect taxes which have been determined by this House. This is the minister's responsibility, and one he cannot easily slough off.

In the minute remaining to me, I would like to point out that 20% of federal public servants work for Revenue Canada at the present time. It is my impression that the secret intention, the hidden agenda behind all this is to put 20% of federal employees into an agency where they will no longer be covered by the Public Service Employment Act. This is totally unacceptable. If that is the hidden desire of the government, it is totally evil.

I understand that my time is up, and I thank you for your attention. I hope the House will dump this bill.

[English]

The Acting Speaker (Mr. McClelland): For the ease of figuring out who is next, we will go now to the member for Port Moody—Coquitlam—Port Coquitlam, then to the member for Regina—Qu'Appelle, then the member for Saint-Bruno—Saint-Hubert and then the member for Durham.

Mr. Randy White: Mr. Speaker, I did not hear a member for the Reform Party on your list. It may be that we will take our turn as the time comes around, so we may stand.

The Acting Speaker (Mr. McClelland): We will take that under advisement.

Mr. Lou Sekora (Port Moody—Coquitlam—Port Coquitlam, Lib.): Mr. Speaker, one issue that arose repeatedly in consultations with the provinces and territories, the clients and the public was accountability.

Essentially there is a desire that the proposed new agency be accountable both to what it does and how it operates. Bill C-43 establishes a number of accountability mechanisms that will ensure that the agency despite its new structure and potential increase in services on behalf of the provinces and territories will remain accountable to parliament and its clients and to the public for its action.

• (1315)

Full ministerial accountability for the program, legislation and overall control of the agency by the government will be maintained.

The Minister of National Revenue will remain responsible for the administration and enforcement of the program and legislation such as the Income Tax Act, the Excise Act and the Customs Act.

The minister will be able to direct officials to exercise authority under the legislation.

The minister is currently named in 1,470 various pieces of program legislation as the person with the authority to exercise specific actions such as assessing tax returns. The minister will continue to be the person named to exercise those authorities. This means that the minister will retain personal accountability for the way the programs are run. This direct accountability ensures that the minister has the authority to inquire into any matters of program administration. This is important because the minister can ensure that the clients of the agency have been treated fairly and equitably.

The minister will continue to respond to questions in the House and from the public on program and policy matters. The minister will continue to be able to respond to members of parliament when their constituents seek their help in dealing with tax or customs matters.

The minister will retain the primary role in establishing the strategic direction of the agency. The minister will approve major corporate documents, recommend approval of the agency's business plan to Treasury Board and table an annual report to parliament on the operation of the agency.

While the minister is accountable for how the programs are carried out, the agency has a considerable amount of autonomy in the matter of internal management.

The agency will be directed by a board of management which will be accountable to parliament through the minister for management policies of the agency, such as human resource activities in staffing and compensation; mandates for negotiating with its bargaining agents and collective bargaining agreements; service and performance standards; and the appropriate allocation of internal resources.

Some people have expressed concern that the board of management, consisting of private sector individuals, might ignore the public interest and act in a way that is motivated only by revenue generation.

There are sufficient checks and balances in this bill to ensure that the agency will remain within the overall government policy framework. These checks and balances include Treasury Board's mandate to approve the corporate business plan and the need for the agency to report annually to parliament. Ultimately, if problems do arise, the minister will have the authority to give direction to the agency on matters within the board's jurisdiction if they affect public policy or materially affect public finances. It is doubted that this direction authority will ever have to be used, but it is there as an insurance policy.

The commissioner, who is a full member of the board of management, would act as a full time chief executive officer of the agency and be responsible for the day to day operations of the

Government Orders

organization. The commissioner will be accountable to the minister for the administration and enforcement of the program legislation.

With regard to accountability for the administration of provincial programs, the commissioner will offer to meet with provincial and territorial finance ministers and to report on such matters as service and revenue levels and to receive feedback from them.

As indicated, the agency's corporate business plan will require Treasury Board approval and its appropriations will be made through the regular government estimate procedures.

In addition, certain human resources aspects will form part of the corporate business plan. The public service commission will have authority to review and report on certain aspects of the agency's staffing program.

The Minister of Finance will continue to be responsible for the development of tax and trade policy and legislation. The Minister of National Revenue, through the agency, will be responsible for implementation. The important and necessary relationship now in place between the Departments of Finance and National Revenue will continue between the Department of Finance and the agency.

The Auditor General of Canada will be the auditor for the agency and will play the same role as with Revenue Canada.

• (1320)

Bill C-43 also provides a full scale review of the legislation by a committee of this House five years after coming into force. This does not exist, of course, to prevent parliament from exercising its normal authority over the agency in the interim.

Parliament will have all of the normal opportunities to ensure that the agency is being properly managed, such as review of its corporate business plan, its annual reports and its annual appropriations. It can require a further in-depth review at any time.

In summary, ministerial accountability, overall control by government and parliamentary oversight will be maintained for the new agency.

Those being served by the agency, especially the provinces and the territories, will have new means at their disposal to ensure that the agency is accountable to them for its performance.

Accountability for fairness is the cornerstone of our government's legislation, policies, regulations and processes.

Fairness is an essential foundation to the entire revenue administration. It is a system based on voluntary compliance and if the clients do not believe they are being treated fairly, one cannot expect them to comply voluntarily.

The issue of fairness is a priority for Revenue Canada and it will remain a priority for the Canada customs and revenue agency.

Revenue Canada's record on fairness is excellent. The fact that 95% of filers comply voluntarily is a testament to that record. That compliance rate can be even higher.

However, one can only maintain this level of compliance if taxpayers believe that the tax system is fair to them, fair to their neighbours and fair to everyone.

One also knows that complacency is no way to deal with fairness. Canada's business, economic and social environment is dramatically changing and that is one of the reasons that the agency is being created: to respond to those changes and to provide better service to clients.

Last spring an initiative was launched to look closely at fairness: what measures were in place; how well the department was doing at providing fairness; what improvements could be made to provide a greater level of fairness to the department's clients.

This has been a broad and comprehensive consultation effort. It has looked to the department's many independent advisory committees, to stakeholder groups, to the general public and to our own managers and front-line staff for their ideas and advice.

In addition, an assessment was performed of the best practices of other customs and revenue administrations around the world.

To ensure that this has been an open, credible and transparent exercise, the Confederation Board of Canada was retained to help design the consultation, gather and analyse the feedback and produce a report.

Fair treatment means being open, clear, courteous, responsive, timely and accessible.

For Revenue Canada, applying legislation fairly means applying it impartially, justly and consistently.

The commitments that Revenue Canada makes to fairness will be commitments for the Canada customs and revenue agency. The agency is all about providing better, more effective and more efficient service to Canadians.

Fairness is part and parcel of service and an efficient organization that is not fair to its clients is not an effective one.

As the Canada customs and revenue agency is created, there have been suggestions that an ombudsman forum be created to ensure that the rights of taxpayers are protected.

It would be premature to consider the establishment of an ombudsman or any such office until this process of public consulta-

tion is complete. In fact, early feedback from the fairness initiative is reinforcing the longstanding practice of building commitment to fairness throughout the organization as opposed to isolating it in a separate office.

• (1325)

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, I would be curious if the last member could extemporaneously tell us what he said. That would be very useful.

Today the Bloc moved an amendment to delay for six months the creation of this great big new taxation agency which was created by the Liberal government. I have three or four concerns about it which is why I support the amendment before the House today.

The Liberal government is setting up a taxation agency to collect GST, income taxes and corporate taxes. The provinces can buy in. They can collect the provincial sales tax, the liquor tax, eventually municipal taxes and so on. It is a radical departure from the existing practice of the Department of National Revenue collecting taxes in this country.

I have three or four concerns about that. My first concern is that this is supposed to be a federal-provincial agency. A good friend of mine, a minister from Edmonton, is in the House today. He is concerned about federal-provincial relations. I wonder if he could tell the House today which provinces have bought into the idea of a new taxation agency. My impression is that the answer would be none. Not a single province has bought into this agency—

An hon. member: Nova Scotia.

Hon. Lorne Nystrom: If Nova Scotia has bought into it I would like to see a letter tabled in the House which says that Nova Scotia will take part in this agency. When the minister was defending the agency on October 1 not one province had bought into the idea to be part of this agency to collect taxes.

We are heading into a Quebec election—

An hon. member: So what?

Hon. Lorne Nystrom: —and we are hearing a lot about federal-provincial co-operation.

A Liberal across the way says “So what?” It is no wonder the Prime Minister is stumbling around making all kinds of mistakes. He is aiding Mr. Bouchard with some of his comments.

I believe very strongly in co-operative federalism, the kind of co-operative federalism that was preached in this House by people like Robert Stanfield, Lester Pearson and Tommy Douglas many years ago. That is what I believe in, but this government is bringing in an agency without the support of any of the provinces.

An hon. member: Medicare.

Government Orders

Hon. Lorne Nystrom: I am glad that medicare was referred to. It was started by a CCF government in Saskatchewan in 1961. It was a popular idea that spread across this country. It came into being federally after the royal commission headed by Mr. Chief Justice Hall. There was a national consensus that we should have a national medical care program. Medicare was supported by an overwhelming majority of Canadian people and an overwhelming majority of the provinces before it actually was passed by the House of Commons.

This case is the opposite of the medicare example. No province has bought into the idea of a tax collection agency like the new agency the government wants to set up.

Another point is the idea of the quasi-privatization of the largest part of the federal government in this country. Forty thousand people work for Revenue Canada and the Liberal government wants to take this department out of the public service. Some 20% of the workforce of the Government of Canada will be, in effect, privatized.

There is no need to talk about the new right in this country. The alternative is right there. The united right in this country is the Liberal Party.

• (1330)

It is the Liberal Party that has downsized government to a smaller scale than we have seen since the late 1940s after the second world war. That is the legacy of the Liberal government. There is the privatization of CNR and what the Liberals have done to the employment insurance fund. We can go on and on and on in terms of downsizing government in this country. That is what the Liberal government across the way has done.

An hon. member: Tell us what the NDP has done in Saskatchewan, Ontario and B.C.

Hon. Lorne Nystrom: Mr. Speaker, I do not know if I am allowed to answer questions but I was asked what the NDP government has done in Saskatchewan.

I have here in my pocket the results of a byelection in Saskatchewan last night. It shows that the NDP government is in touch with the people of Saskatchewan. A Liberal MLA named Bucky Belanger resigned from the Liberal Party about two months ago. Mr. Belanger resigned his seat from the Saskatchewan legislature and sought the NDP nomination. A byelection was held last night. The result of the byelection was that Bucky Belanger got 2,145 votes; the Liberal Party received 95 votes.

The Acting Speaker (Mr. McClelland): This might be an appropriate time to interject and inform the hon. member for Regina—Qu'Appelle and the House that the Table does its work.

Government Orders

On October 1, 1998 the hon. member for Regina—Qu'Appelle actually did speak on the amendment. I am afraid we have to retract everything the member already said. I am sorry but the member's time for debate at this time is over.

[*Translation*]

Mrs. Pierrette Venne (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, Hallowe'en is being celebrated on the weekend, and the government will again try to scare people with its Bill C-43. No doubt Quebeckers will be shaking at the prospect of the Department of National Revenue transforming itself into a semi autonomous government agency.

Why will they be shaking? The President of the Treasury Board gave us part of the answer in the House. "No one likes paying taxes", he said. Obviously, no one likes paying taxes when they get nothing for their money. Obviously no one likes paying taxes when we are deprived of the health care services our taxes are supposed to pay for. Obviously no one wants to pay taxes, when assistance to fishers, farmers and the unemployed is being cut.

This is why people are afraid. They know that the government does not provide the services they are entitled to through their taxes. They are afraid because the money they are paying in taxes will now be collected by another monster, the Canada customs and revenue agency.

The Bloc Quebecois totally disagrees with the bill. One of the most important prerogatives of modern government is the power to tax. Thanks to this power, Canada collects money from taxpayers that they worked hard to earn. It is unthinkable that this power will be put in the hands of a semi autonomous agency that is not under the direct control of the government.

The minister has said there will be less overlap between the federal and provincial governments with the bill. That is not reassuring; it causes concern. The fact there is no more encroachment is because the government will not be collecting income tax anymore, the agency will.

On the other hand, it is common knowledge that we are in favour of an end to overlap. The Bloc has long wanted an end to such overlap between the federal and the provincial governments. The solution is simple: combine all tax collection activities within Revenue Quebec.

Bill C-43 means savings, we are told. We have our doubts. The government is going to create a quasi-autonomous agency that will be entrusted with billions of dollars, and the agency's managers will not be subject to any pay controls. In today's economy, with the directors of banks and financial concerns often voting themselves outlandish salaries, we wonder about the size of the salary bill taxpayers will have to foot for the agency's managers.

The very status of the agency will allow senior managers to pay themselves salaries comparable to those of CEOs in the private sector. Will the agency's commissioner, who will have hundreds of thousands of people reporting to him and a budget in the billions, demand a salary on a par with that of the chairman of the Royal Bank? Will the agency's commissioner have millions of dollars in annual income? These are some of the questions we have.

• (1335)

Will these managers be more motivated as employees of the new agency than they are right now? We read in *Le Devoir* this morning that Pierre Sigouin, assistant director of the Customs and Excise information division, claims to have lost all motivation over the last four years.

Mr. Sigouin took paid sick leave to co-ordinate the election campaign of Pierre Bourque, the mayor of Montreal, who is running for re-election. Apparently, it is unmotivating to work for this government. Is this the reason the government has decided to create independent agencies such as the Canada customs and revenue agency?

It is obvious what the government is up to. It will at last be able to shift the blame for tax collection problems. Those who had too much tax deducted will be told it is not the department's problem and referred to the agency.

It is all very fine and well for the minister to say he will retain some control over the agency. The bill contains provisions that make the agency relatively autonomous. It will therefore be possible for the minister to authorize the commissioner or any person employed or engaged by the agency to exercise or perform on his behalf any of his powers, duties or functions under any act of parliament, with the exception of making regulations.

The Canada customs and revenue agency will be run by a super-bureaucrat who will not be accountable to parliament. While accountability is essential to our democracy, this principle is increasingly left out of the current political scene by this government.

The bill will make it impossible to criticize the administration of an organization performing a function that the very existence of the state depends on. This is especially worrisome since it follows a trend of political patronage.

Under clauses 15, 22 and 25 of the bill, there will be a board of directors of 12 members appointed for three years on the recommendation of the provinces, but holding office only on a part time basis. Three other directors, that is the chair of the board, the commissioner and the deputy commissioner, will be appointed by the governor in council for a term of five years.

Government Orders

Once again, we will be witness to the political appointments made by a government that sacrifices competence to give jobs to political friends.

It is to be feared that the decisions made by politically appointed senior officials with a free hand for action would be prejudicial to taxpayers.

Members will recall that less than three years ago, the auditor general revealed a scandal that we in the Bloc Quebecois had condemned in the 1993 election campaign: the family trust scandal.

The auditor general had revealed that, at around midnight on December 23, 1991, some senior officials of Revenue Canada, Finance and Justice decided, without even asking their ministers, to transfer two family trusts worth \$2 billion to the United States without collecting a single cent in Canadian tax.

If the mandarins of Revenue, Finance and Justice could do so under the present circumstances, imagine what things will be like when there is this customs and revenue agency they are trying to set up, which will be quasi-independent and not answerable to Parliament.

How many similar cases will be swept under the rug, without Parliament even knowing about them, cases of scandalous decisions by senior mandarins who will now be in control of tax collection as well as of all the confidential data banks on Quebecers and Canadians? It makes no sense whatsoever to delegate so much to a new class of super-bureaucrats.

It goes without saying too that creation of this agency will considerably weaken the Department of Revenue. Once the agency is created, the Minister will have an overall business plan submitted to him, one to which he will have made little, if any, contribution. He will be confronted more or less with a fait accompli. They will be dictating to the minister what he has to do.

• (1340)

The bill will set up an agency that will be virtually independent of the government and will centralize the power to collect taxes. The government is on the wrong track here. The provinces are calling for more control over the administrative powers that affect them, and the government is pulling the rug out from under them and rejecting their demands.

This bill augurs nothing good for the taxpayers of Quebec and of Canada, and the Bloc Quebecois will be voting against this Halloween horror of a bill.

[*English*]

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, it gives me great pleasure to enter this debate on Bill C-43, the Canada customs and revenue agency. This is all about getting government right. We cannot continue to live with significant inefficiencies within our administrative structure. This is a continuation of our government's

desire to reinvent government and get government onto a course of efficiencies.

When I talk about efficiencies, members will be interested to know that in the last budgetary estimates Revenue Canada's administration cost to run the department was \$2.2 billion. It collected a sum total of about \$153 billion. That means a ratio of 1.43%, that is to say, it costs us about 1.5% for every \$1 that is being collected by Revenue Canada which is good in itself.

Some people note that Revenue Canada is probably one of the most efficient arms of government today. In my earlier life I was involved with Revenue Canada on a more direct basis in representing my clients. Generally speaking the people at Revenue Canada carry out their jobs in a professional and diligent way with fairness and equity. Some people watching today might think that Revenue Canada is just a little bit too efficient in how much taxes it collects. However, the reality is that it undertakes its functions quite effectively.

In Canada today we have developed a multiplicity of taxes and tax regimes. It is small business week. Maybe we should be paying attention to some of the concerns of small and medium size businesses in this country. One of them is the pure complexity of complying with our taxation system.

Both the federal and provincial governments collect excise taxes, transportation taxes, tourist taxes and corporate taxes. Both the federal and provincial governments have their own little tax regimes collecting corporate taxes from small and medium size incorporated businesses. We also collect the employment insurance and the Canada pension plan. At the same time, the provinces are also involved in making separate collections for workers compensation.

The most insidious is the incidence of duplicity of sales taxes, the GST and provincial sales taxes. This duplication is very expensive for our citizens and small businesses. The problem with the provincial sales tax is that it also cascades into the actual exports in the selling prices of commodities. As Canada is an exporting country it causes great inefficiencies as well. It makes us less competitive as a nation.

It is for some of these reasons that the government has put forward the concept of this agency. We talk a lot in this House about the underground economy. Generally speaking we assume that people are simply cheating, but the reality is that a good number of people find it very difficult to comply with the level of complexity of the forms and requirements for different types of taxes.

Quite frankly, people cannot afford the compliance. I can remember a small business operator saying that he needed to spend one day a week just to comply with the taxation system. It is very important that we develop an agency that will be efficient and smoothly run to try to reduce this complexity and make the whole concept of tax collection more efficient. I have been surprised to find out that Revenue Canada for instance does not do e-commerce.

Government Orders

We can pay our bills over the Internet, to Bell Canada and even to our local municipal tax authorities, but we cannot do it with Revenue Canada. I suggest that one of the reasons is it needs a certain inertia. It needs to spend more time developing electronic commerce to make this a more efficient agency. This is done for corporate structures but not on an individual basis. We have to catch up with the times. When I hear the Bloc, the NDP and others saying leave it the way it is, these people are just standing in the path of progress.

• (1345)

I would like to get back to an issue which is dear to my heart, the harmonization of sales taxes. We have tried politically to deal with this issue in the maritime provinces and some of those provinces have signed on to harmonized sales tax.

The member for Regina—Qu'Appelle was actually challenging us as to what province would ever sign on to this. I am surprised by that comment. The reality is we are leaders, that we are leading in this area of efficiency. We should be complimenting the government on its leadership role rather than saying if nobody else is ponying up to the cause, it must be a bad thing.

In spite of what the member for Regina—Qu'Appelle said, I can remember when medicare was first brought on and I think only one or two provinces initially signed on to that agenda. Of course all the provinces today are part of the medicare system. So it is not a reason to stand in the way of an agency that will be competitive within our economy.

The lack of harmonization of the sales taxes is probably one of the single largest inefficiencies in tax collection. Canada has to be the only country in the western world that actually has one federal sales tax and nine provincial sales taxes. It does not take much thought process to realize how inefficient that really is.

If the agency were in place pure rationality between provinces and the federal government would try to find some way to solve that problem. We as politicians quite frankly have not been able to do that. I think that is possibly a failure of this place compared to what an agency could possibly do. That does not mean those decisions are outside the political agenda. They are not.

In answer to a question the other day the minister of revenue suggested Nova Scotia had already signed on to a service contract. Three ministers along with our minister had signed on. So we can see how this is starting to evolve. Once this agency is in place we are going to find many more ways to make the whole concept of tax collection more efficient and more relevant to the 21st century.

Ontario, for instance, my province, insists on collecting its own provincial sales tax regardless of the fact that the provincial sales tax becomes a cost of production to our manufacturers. In my area

General Motors has to actually pay provincial sales tax on input components. When it buys stationery or other things for its operation, it pays provincial sales tax. Eighty per cent of its production goes across the border into the United States. It goes across the border embedded with provincial sales tax as opposed to the GST, which has a methodology of removing that tax when it finally goes outside of our borders.

As a consequence Ontario's provincial sales tax is a very inefficient, outmoded tax that is not serving the people of Ontario well, because 40% of our exports are coming from the province of Ontario.

We have to find better ways of doing business and I believe this is part of that solution, to create this agency which will be more efficient, will allow a broader base concentration of critical mass, will allow for possibly more spending in the area of technological efficiency and will allow people to interface with the government more efficiently and more effectively.

In the act there are provisions where the provinces will be able to be consulted in the area of appointing directorships and so forth.

• (1350)

We can certainly see the window of opportunity to make a more efficient agency, allowing the provincial and federal authorities to work together to make this an efficient tax regime, an efficient, modern tax collection system.

I am supportive of this legislation and I hope the rest of the House will support it as well.

Mr. Jim Jones (Markham, PC): Mr. Speaker, I rise to address Bill C-43, an act to establish the Canada customs and revenue agency and to amend and repeal other acts as a consequence.

A brand new revenue agency, that is what Canadians have been clamouring for. I dare say it was one of the most mentioned issues for all candidates as we went door to door during last year's federal election campaign.

The minister probably still recalls that many people told him what they want is tax reform but not lower taxes, not a simpler system. No, what they want is a new agency, one with wider powers, a new agency with less accountability to parliament, a new agency that runs outside the government with access to their most personal information.

I think the minister is confused. This is the Hallowe'en season and while he is very effectively scaring the Canadian public with this bill the time for pranks is still April 1. All levity aside, I do not want to ensure that the Liberal Party is fully aware of the fact that this bill in no way addresses tax reform. In the interest of accuracy I am sure it would not want to see some overzealous campaigner

Government Orders

insert Bill C-43 in the 2001 red book as an example of the Liberal's commitment to reform.

This whole bill is predicated on the level of trust between the provinces and the Liberal government, a level of trust that simply does not exist.

Just to be certain I will spell out why this situation exists. It concerns unilateral cuts to transfer payments, outrageous levels of unemployment insurance, overtaxation and ridiculous posturing statements by the Prime Minister and the Minister of Health against the most respected premiers in Canada, including the premier of my province, Mike Harris. These are just some of the reasons why there is no level of trust at the first ministers level.

My hon. colleague from Kings—Hants has outlined the many shortcomings of this bill. However, we do not have to have a Ph.D. in economics to understand why this national agency is destined to fail.

The government offloads responsibility to the provinces by making draconian cuts to health care, for instance \$7 billion in the last term. The minister has said there is only one taxpayer. The provinces and municipalities have been faced with an ever increasing tax burden as a result of the government's failure to lead and to take responsibility for national matters, including such issues as health care funding.

The minister speaks of the provinces having greater opportunities to effect control and have control over the levers of this important agency than they now have with Revenue Canada. I suggest the provinces' lack of approval and their concern with this new agency is an indication that they do not believe in this. The provinces will not have greater powers and authority with this new agency.

I ask the Liberal government to take a short walk back to a time when it still pretended that keeping red book commitments was important. After the Prime Minister's ridiculous claim during the 1993 election that he would get rid of the GST, there was an attempt to create a renamed and more pervasive tax known as the BST, the blended sales tax. This little attempt at massaging the red book promises was only adopted in three provinces, Nova Scotia, Newfoundland and New Brunswick.

Coincidentally there are only three provinces in Canada with Liberal governments. I am sure many will be shocked to learn that these governments exist in the same three provinces, proving that the tentacles of this government run very long and that the tendency of elected Liberals to imitate the nodding heads drinking birds is not limited to our federal parliament.

Unless Prime Minister Bo Peep intends to elect a few more Liberal sheep in provincial legislatures across the land, he may as well stick a fork in Bill C-43. As I do not see anybody rising on a point of order to withdraw this bill, allow me to provide the

minister with a course of action that would give him a fighting chance at actually implementing this new agency with a certain degree of success.

● (1355)

The first course of action would be put an end to the war against the public service in this country. We are all friends in the House and I understand that the public service was probably a bit too trusting when it took the Liberal Party at its word on pay equity. However, this government made a commitment and those people are filled with righteous anger. Therefore I suggest the minister rethink the likelihood that these public servants are going to be very interested in assisting in the privatization of their jobs.

Why should they be helpful? Bill C-43 is going to result in new people being paid higher salaries to do the exact same jobs which are being done now. Of course Canadians will be thrilled to learn that along with this new agency comes a whole new level of bureaucracy.

We see current employees who will lose existing rights, including job security and the right to bargain on staffing matters. Keep in mind that there will only be a two year job guarantee and we are effectively dealing with about 25% of the public service. We have to take a look at whether this agency would not be more flexible than Revenue Canada but less flexible in working with other government departments, including the finance department, and the provinces.

At various times of the year Revenue Canada has between 40,000 and 46,000 employees. Revenue Canada has many responsibilities, primarily the collecting of federal taxes and various fees, harmonized sales taxes in three provinces, personal income taxes on behalf of nine provinces and corporate taxes on behalf of seven provinces. The new agency is to assume all these responsibilities. The new agency is supposed to be as efficient as the department was without any increased cost to the taxpayer.

I suggest that unless the provinces buy in and support this direction and this new agency, any claims by the government that this agency will lead to greater efficiencies and save the taxpayer money are suspicious at best. The only efficiencies that can be achieved will be those realized through a slower transfer rate of funds to provinces. As a former town councillor I can assure this House that in turn the municipalities will see foot dragging when it comes to receiving funds.

In essence this government is trying to implement a law that will cause greater discourse between voters and all levels of government. The government is saying we could save between \$97 million and \$162 million per year if all the provinces participated. That is a very big if. At this juncture currently the provinces have not demonstrated a significance interest in having Ottawa collect and have more authority in effect over taxes beyond what Revenue Canada does currently.

S. O. 31

The Speaker: You still have three minutes in your excellent discourse. I know you will want to seek the floor right after question period. As it is almost 2 p.m., I thought we would proceed to Statements by Members.

• (1400)

I thank the women of the IODE for their patriotism and their charity. They are the people who have made Canada the best country in the world.

* * *

BREAST CANCER

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, this year more than 18,000 Canadian women will be diagnosed with breast cancer. This terrible disease also afflicts Canadian men. Over 5,000 Canadians will die from it this year alone.

That is why I was pleased to take part in Peterborough's first Canadian Breast Cancer Foundation-CIBC Run for the Cure. This event, organized by CIBC employees and their families but involving many others, is designed to raise money for and awareness of breast cancer research.

I am delighted that all across Canada Runs for the Cure are helping build support for those affected by this disease. I am particularly pleased that these events are focusing attention on effective means of prevention and the need for a cure.

I thank all CIBC employees who helped to organize the event in Peterborough and everyone who took part. I hope this is the first of many such runs in our community.

* * *

BREAST CANCER

Ms. Maria Minna (Beaches—East York, Lib.): Mr. Speaker, I stand before you today to say that as a woman I am at risk because of an unknown and to date an unstoppable killer. I am referring to the killer known as breast cancer.

Breast cancer is the most common cancer diagnosed in women in Canada. It is estimated that by the end of this year 5,300 women will die from this disease and 90,300 new cases will arise. These figures are frightening and they hit close to home.

This past summer I was reawakened to this terrifying disease when I witnessed my own cousin become one of those estimated fatalities of breast cancer. Through research we know that the risk of breast cancer is slightly higher with a family history of cancer incidence and with increasing age, but while research has been ongoing over the past two decades the mortality rates for breast cancer have not changed.

The renewed commitment to breast cancer initiatives by the federal government was announced in June. The first five year contribution amounting to \$45 million will go toward reducing both the incidence of breast cancer in Canada and the mortality rate and to improve the quality of life of those directly and indirectly affected by this disease.

As the minister stated, the government's renewed—

The Speaker: The hon. member for Battlefords—Lloydminster.

STATEMENTS BY MEMBERS

[English]

AGRICULTURE

Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.): Mr. Speaker, for months now this Liberal government and the agriculture minister in particular have been ignoring the farm income crisis on the prairies.

The average drop in farm income over each of the last two years was 50% and programs such as crop insurance and NISA will not provide sufficient help. In fact, NISA will not even cover the cost of fertilizer and fuel next spring for many farmers who are struggling to avoid bankruptcy.

If the Liberals had listened to Reform in 1993 the government could have been investing in a farm safety net to protect farmers who are getting hammered by European Union subsidies and unfair trade practices by the U.S. So far there has been no response from the agriculture minister to Reform's proposals.

Farmers across the west are demanding action but sadly they realize it will not be coming any time soon from this do nothing Liberal government.

* * *

IODE

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, in honour of Women's History Month I would like to pay tribute to the IODE, a group of women who work tirelessly to help those in need, promote education and honour our veterans.

The IODE has been a part of my community since 1909. Every year on Remembrance Day the five chapters of the IODE in Guelph—Wellington hold a service at the Cross of Sacrifice they built in 1926, two years before Guelph erected its official cenotaph.

As we remember the fallen, I am always struck by the dedication of these women. No matter what, despite age and inclement weather, they attend because they love Canada and they want to remember.

S. O. 31

AGRICULTURE

Mr. Gerry Ritz (Battlefords—Lloydminster, Ref.): Mr. Speaker, there is a growing farm income crisis in the country. The minister must be aware the farmers have to make decisions now that affect the future of Canadian agriculture for next season. They need real action from the government to deal with the whole spectrum of difficulties facing their operations.

We need to keep more money in the hands of producers, not burden them with rising fees, taxes and charges that follow mandatory government programs. We have to make adjustments for international trade distortions and make it clear to our trading partners that we will not tolerate massive subsidies which provide short term illusions of relief. We have to address the shortcomings in the net income stabilization program.

We are asking the government to move now to help Canadian agriculture and its supporting services brace themselves for the rough road ahead.

* * *

CANADIAN NATIONAL INSTITUTE FOR THE BLIND

Mr. Steve Mahoney (Mississauga West, Lib.): Mr. Speaker, the Canadian National Institute for the Blind was recently judged by a court of its peers when it was recognized as the role model organization of the year by a renowned panel from the International Blindness Community and was awarded the prestigious SAP Stevie Wonder Vision Award in that category.

The Stevie Wonder Vision Award includes a \$235,000 prize and was created to raise awareness and spur the development and distribution of technology solutions to enable blind and visually impaired persons to actively participate in the business community.

This award is further evidence of the dedication with which the CNIB provides rehabilitation services for blind, visually impaired and deaf-blind Canadians across the country, including at the CNIB Halton-Peel district office in Mississauga.

Mr. Speaker, I ask you and all members to join me in extending heartfelt congratulations and best wishes to the Canadian National Institute for the Blind.

* * *

EMPLOYMENT INSURANCE

Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, I rise today in the House of Commons to speak about a town hall meeting I held this past Sunday afternoon in my riding of Notre-Dame-de-Grâce—Lachine.

Given the overwhelming attention that the opposition parties have been paying to the issue of employment insurance surplus and the abuse which has been heaped on the government over the

past few weeks concerning this surplus, I chose this issue as the theme for discussion with my constituents, along with that of the heralded supreme court judgment on the unilateral declaration of independence.

• (1405)

My town hall meeting was well attended. I was pleasantly surprised that the entire discussion centred on the employment insurance surplus. My learned colleagues on the other side of the House should listen up. Lo and behold, my constituents want the government to invest any employment insurance surplus in health, in paying down our national debt and in lowering taxes.

I can safely state that my riding supports this—

The Speaker: The hon. member for Mercier.

* * *

[Translation]

SMALL BUSINESS WEEK

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, Small Business Week is a time to pay tribute to the hard work and courage of the men and women who start up and run small businesses, and of their employees.

It is because of their efforts that jobs in the small business sector represent 60% of the total number of jobs. In Quebec, there are over 2.5 million jobs in a quarter of a million small businesses, and this does not include self-employed workers.

But we must do more than just pay tribute to small business owners. We must wish them the strength to make it through another year.

The number of businesses declaring bankruptcy is still far too high. We must call on government to provide greater assistance, not just increased funding, but also help with management and innovation, so that small businesses can expand, for their own good and for the good of Quebec and of Canada.

* * *

[English]

NATIONAL POST

Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.): Mr. Speaker, today Canadian's woke up to the culmination of a vision of a truly national newspaper reflecting the scope and diversity of this far-flung nation.

Today the *National Post* volume 1, No. 1, arrived and a vigorous and dynamic new voice now offers Canadians an alternative. The *National Post* has entered the marketplace in uncertain times, but if resourcefulness and commitment mean anything then the *National Post* is destined to succeed.

S. O. 31

The Southam group should be proud of its premier publication and proprietor Conrad Black congratulated for courage and insight in bringing his dream forward and for assembling such a comprehensive team to produce this newspaper.

The *National Post* promises more comprehensive analysis and insight into the daily parliamentary process. This is commendable. Canadians want to know more about the sophisticated approach and its visionary ideas.

On behalf of the Reform Party I extend my best wishes for success to Mr. Black, the Southam group, editors, reporters, columnists and all its employees on this momentous occasion. Let competition flourish.

* * *

[Translation]

GREEK COMMUNITY

Ms. Eleni Bakopanos (Ahuntsic, Lib.): Mr. Speaker, last Sunday I attended two very important events in Montreal's Greek community.

The first commemorated October 28, 1940, known as OXI day, when the Greek government of the time stood up to the forces trying to divide and conquer Europe, and the second marked the liberation of Thessalonica on October 26, 1912.

The Prime Minister sent the Greek community a message, which I will read: "Canadians of Greek origin have every reason to be proud of their important contributions, past and present, to Canada's growth and prosperity".

[English]

I am very proud that Canada has maintained the continuing tradition of recognizing contributions of Canadians of other origins.

Part of Canada's uniqueness besides its diversity is its tradition of democratic principles and rights, the same rights which were hard fought by the resistance forces in Greece in 1940. Tomorrow I join half a million Greeks across Canada in celebrating our continued fight to protect both our democratic—

The Speaker: The hon. member for Dartmouth.

* * *

NATIONAL POST

Ms. Wendy Lill (Dartmouth, NDP): Mr. Speaker, this morning Canadians awoke to a new national newspaper, the *National Post*. My party and I believe that our democracy can only survive with strong, diverse and independent voices commenting on the news of the day, but we will not get them from the *National Post*.

Diverse opinions in papers require journalists who are allowed to express a wide variety of reasoned arguments. Conrad Black said

this morning on TV that he wanted diverse opinions. At the same time he is suing the communications workers union and two of its organizers for questioning the editorial integrity of the *Calgary Herald* during a recent organizing drive.

What Mr. Black is really saying to Canadians is that many opinions are good as long as he agrees with them. Mr. Black's behaviour showed why it is important for the government to bring forward measures now to promote real diversity in the Canadian media, not stand by while the views of Conrad Black gain any more weight.

* * *

• (1410)

ERMINIE JOY COHEN

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I rise today to pay tribute to a great Canadian from my riding who was recently honoured by the Jewish National Fund.

Senator Erminie Joy Cohen represents the beautiful city of Saint John in the upper house of Canada's parliament. She is truly an excellent example of the work that our Progressive Conservative senators do both in their communities and on the national level.

In recognition of her contributions to Canada in the areas of equality, family violence, poverty, human rights, health and Canadian unity, the Jewish National Fund bestowed a tremendous award upon her this past Sunday night.

In honour of Senator Cohen, 28,000 trees will be planted in the Negev Desert in Israel as part of the Jubilee Forest Project. In tribute to Senator Cohen and her home province, the forest will be called the New Brunswick Forest.

I would like to join the Jewish National Fund, the people of Saint John and all Canadians in congratulating Senator Erminie Cohen for her outstanding contributions to her faith—

The Speaker: The hon. member for London West.

* * *

WOMEN'S HISTORY MONTH

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, October is Women's History Month in Canada.

In 1970 the historic Royal Commission on the Status of Women presented its report to parliament, which included 167 recommendations on how to foster equality between men and women. At the time only one woman sat in the House of Commons. Today I am proud to be part of a House with 62 women members or 21%, the largest number of women MPs in our history.

Despite the gains that women have made in Canada, world wide over the last 23 years there has only been a 2% increase in female representation in respective houses of parliament.

Oral Questions

If we are to strive to attain an equitable future, it is my position and the position of my colleagues in the House that we work together, men and women, in partnership to get better activities and representation for the benefit of all our citizens.

* * *

[Translation]

WYE PLANTATION ACCORD

Mr. Daniel Turp (Beauharnois—Salaberry, BQ): Mr. Speaker, the Bloc Québécois would like to congratulate the State of Israel and the Palestinian Authority on reaching the Wye Plantation accord.

This accord, fostered by American mediation, sets the stage for true reconciliation between the Israeli and Palestinian peoples and for a long lasting peace in the Middle East.

The efforts of Yasser Arafat and Benjamin Netanyahu to reach an agreement are being repaid by public opinion, which today, clearly expresses its approval of the results at this new stage of the peace process. They are the precursors of the new successes that cannot fail but crown the even more difficult negotiations facing the two nations.

The Bloc Québécois looks forward to the emergence of a Palestinian state on May 4, 1999, but wants Israel to live in security too. The people of Quebec wish the representatives of the Palestinian and Israeli people success as they enter into the home stretch toward peace.

* * *

[English]

GASOLINE

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, we can fool some of the people some of the time but things are so bad in the Liberal caucus that the backbenchers cannot be fooled any longer.

Scrambling to save face at next week's conference on climate change, the environment minister announced last minute plans to reduce sulphur levels in gasoline by 90%. She claims consumers will pay a mere one cent per litre for this clean air plan. The Liberal chair of the gas pricing committee, however, pegs the increase at a whopping 15 cents per litre. That is not even close.

The sulphur tax is a carbon tax by any other name. When the Prime Minister assured Canadians last year that there would be no carbon tax, his backbenchers believed him. Canadians wanted to believe him. They have all been deceived again. Taxpayers will pay dearly for the Liberal's desperate attempt to meet its Kyoto commitment.

The government prefers to keep up international appearances rather than its promises to the people of Canada. Canadians are not fooled—

The Speaker: The hon. member for South Shore.

* * *

CHRISTMAS TREE INDUSTRY

Mr. Gerald Keddy (South Shore, PC): Mr. Speaker, I rise today to speak to the use of real Christmas trees and foliage in the Parliament Buildings during the holiday season.

Mr. Speaker, I have not had the opportunity to speak to you at length on this subject and it is your prerogative to decide on the matter.

The Christmas tree industry is worth more than \$100 million to Canada and every acre of Christmas trees provides oxygen for approximately 15 people. This industry helps support 3,000 farm families in Nova Scotia alone and is environmentally friendly and sustainable.

• (1415)

It is an embarrassment to see the greenery that decorates these halls during Christmas. It is inexcusable that this travesty continues. Real trees and foliage can and should grace these halls. If we want Canadians to embrace sustainable and environmentally friendly products, surely as the Speaker and representative of parliament, you could—

The Speaker: I will keep that in mind.

ORAL QUESTION PERIOD

[English]

EMPLOYMENT INSURANCE

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, last night the Prime Minister lumbered through a half hour speech without starting a new national crisis. No reference to baseball bats or the constitution; it was good. There was no mention either of the Prime Minister's plan to take money from the employment insurance fund to spend on pet Liberal projects. Does this mean that the government has seen the light and has cancelled its plans to raid the employment insurance fund?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there is a debate going on at this time.

The Minister of Finance made a statement on that not long ago to the House of Commons and to the nation in consultations with Canadians about what should be part of the next budget. The Minister of Human Resources Development has replied to all the questions that have been asked by the opposition on the subject of EI. When the budget comes down we will know.

We are in a good position because of the administration and we have managed to deal with a very difficult problem. For the first time in generations we are dealing with a surplus.

Oral Questions

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, last night the Prime Minister talked about weathering the coming economic storm, but that would be easier for most Canadians if payroll taxes were lower. Right now the average worker pays \$350 a year too much for employment insurance and the average small business pays \$500 more per employee, per year than it should.

With the economy slowing down, why does the Prime Minister think that workers and small businesses can do without this money?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I would like to inform the member that when we started on January 1, 1994 the premiums were supposed to be \$3.30. We have reduced them to \$2.70 in the last four budgets. We have been reducing them. If the Leader of the Opposition were to look objectively at the situation of payroll taxes, Canada probably has the lowest level of payroll taxes of any of the G-7 countries.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, to weather the coming economic storm that the Prime Minister himself is predicting, workers need an employment insurance fund they can count on and they need more dollars in their own pockets today. Both of those objectives are damaged by a government raid on the employment insurance fund.

My question again is why does the Prime Minister not call off the heist and cancel the government's plans to raid the employment insurance fund?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, as I said yesterday, there are some major problems on the international scene, particularly in Asia. As I said, because of the discipline of the Canadian people and the management of this government, we are in a position today to be able to decide what to do with a surplus. Of course we want to make sure that these moneys are used to create jobs in Canada and give the type of economic and social progress that is needed in Canada at this time.

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, the Prime Minister has absolutely no excuse for skimming money from workers' insurance plans that belong to them. Thanks to the finance minister's tax increases over the past five years this government is collecting billions of dollars more than it needs to pay the bills.

Why is the Prime Minister overtaxing workers \$350 each on their insurance premiums?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, let me read from the 1995 Reform Party taxpayers budget: The Reform Party recommends the establishment of a permanent reserve fund for UI. Funds from this reserve would be applied against the deficit. That is the Reform Party's policy.

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, this is 1998. We were going to borrow that money, not confiscate it.

• (1420)

In three weeks the finance minister is planning to meet with the employment insurance commission. I think we already know what he is planning to tell it, and that is not to cut EI taxes. He will tell the commission that he plans to change the law so that he can help himself to billions of dollars of workers' insurance premiums. He only has until mid November. He and the Prime Minister have talked about having a debate on this. Where is the debate, in this House or just in his head?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, let us understand that in 1995 the Reform Party was not recommending that any of the EI surplus be applied to reductions. Reformers were saying that all of the EI surplus must go against the deficit. We did not follow their advice. We reduced premiums in 1995. We reduced them in 1996. We reduced them in 1997. That is what we have done.

* * *

[Translation]

THE CONSTITUTION

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I welcome this opportunity to question the Prime Minister today. We are looking forward to having him clarify statements he made in a long interview published last weekend in *La Presse*.

Since he claims that, through his efforts, all of Quebec's traditional demands have been met, can the Prime Minister tell us why none of the political parties or leaders in Quebec has signed the 1982 Constitution, his life's achievement?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have said and I repeat that we have made strides in Canada these past few years, in spite of the Bloc Québécois and the PQ.

When a resolution recognizing the distinctiveness of the language, culture and civil law in Quebec was brought before this House, the Bloc Québécois voted against it. When legislation was passed in this House to give a veto—one of Quebec's traditional demands—to the regions, including Quebec, the Bloc Québécois voted against it.

As the Minister of Intergovernmental Affairs pointed out yesterday, the list of improvements we have initiated is quite impressive and there is more to come—

The Speaker: The leader of the Bloc Québécois.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, still, this does not explain why Robert Bourassa, Daniel Johnson, Jean Charest and Claude Ryan all refused to sign the

1982 Constitution. But I think that is something the Prime Minister does not understand.

In the same interview, the Prime Minister indicated he preferred the small-steps strategy of dealing with issues on a case-by-case basis, to avoid creating false hopes, as he put it. Could the Prime Minister tell us what he means by “false hopes”?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, when discussions were held in Charlottetown, everyone bet on a miracle solution that only led to disaster. We, however, have been dealing with one issue at a time.

For 30 years, Quebec struggled with its school board problem. We introduced a constitutional amendment, the first one in years, to help the Quebec government remedy this problem.

For 30 years, a solution was sought to the manpower training problem in Quebec. What happened? After years of discussions, this government stepped in and solved the problem, as we have solved others, one by one and efficiently.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, last year, the Prime Minister said he was waiting for a federalist government in Quebec to proceed with constitutional changes.

However, he just said the opposite and last weekend he shut the door by stating “The Constitution is not a general store”.

• (1425)

Are we to understand from those comments that the Prime Minister is resigned to not having a federalist government in Quebec or that, even with a federalist government, he feels he can never go further than he already has?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, while all the provinces and the federal government have decided it was important to recognize Quebec’s distinct character in the Calgary declaration, the Bloc Québécois is opposed to any change.

This is why I say that when we have in Quebec a federalist government that believes in Canada, and not a separatist government, we will be able to move the agenda forward as we have in the past five years, in spite of the opposition of the BQ and the PQ.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, can the Prime Minister tell us if, when he said he did not want to create false hopes at the constitutional level, he was sending a very clear message to Quebec federalists to not say too much on this issue during the election campaign, because as far as he is concerned the door is shut?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I said and I repeat that we have made considerable progress in spite of the systematic opposition from the BQ and the PQ.

Oral Questions

When a federalist party with people who believe in Canada is in office, the other provinces and the Canadian government will be more than willing to bring about changes that are absolutely impossible to make with people whose only goal is to destroy Canada.

* * *

[English]

HEALTH

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, last week the health minister insisted that health protection scientists appeared before the Senate agriculture committee with his full co-operation and encouragement. The facts are otherwise. The minister’s office worked overtime to try to prevent the scientists from testifying. An internal document shows that the minister’s office tried to engineer the assistant deputy minister appearing instead of the scientists.

Why try to silence the scientists? How does blocking the truth protect the public health?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, I hope the hon. member’s devotion to the truth will extend to her description of the history of these events.

What happened last week was that scientists from my department appeared before the Senate committee at my urging. I encouraged them to attend and to testify before the parliamentary committee.

The document she refers to which was disclosed yesterday from a bureaucrat does not represent the policy of the department. The policy of the department is set by the minister and the minister asked those scientists to appear. They did and they testified in full and answered all the questions.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, here we have a minister who knows so little about what is going on in his department and who is so scared to have the truth come out that he now has to distance himself from the spin control documents coming out from his own officials.

The fact is once the minister could not block the scientists, he tried to send the scientists to the committee chaperoned by their own boss, like parolees on a day pass.

My question is very simple. Why did the minister tell the House one thing when the documents tell a totally different story?

Oral Questions

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, the member talks about spinning. It sounds to me that the only spin doctor that has been advising the NDP is Dr. Kevorkian.

Let us bear in mind what the issue is here. The issue here is whether those scientists appeared before a committee to testify. They did. They answered all the questions fully and I urged them to do so.

Bear in mind also that what we are talking about here is rBST. That substance has not been approved and will not be approved by Health Canada until we are satisfied that it is safe.

* * *

NATIONAL DEFENCE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, we still do not know what caused the crash of a search and rescue helicopter that killed six members of the Canadian armed forces on October 2. However, we have been informed that the Labrador helicopters will be returning to active duty.

Still not knowing the cause of the crash, why is the minister willing to put more lives at risk?

• (1430)

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, I am not prepared to put any lives at risk. Search and rescue is about saving lives and we do not put up aircraft unless it is safe to use, safe for crews and safe for the people who will be recipients of this service.

The chief of the air staff has examined this situation very carefully. He is a professional man, a very caring man. He knows the circumstances under which this decision had to be made. He believes, after consultation with crews, that this is the right decision to make and we will fly these aircraft only after further inspection and when they are fully safe to fly.

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, on October 5 the minister said that he did not know how long the investigation into the crash would take but "as soon as we get the results, the better".

We do not have the results, nor do the families of the victims. It has been reported that crews not comfortable flying the aging Labradors will not have to. Why are the crews being given this option?

If the minister believes the Labradors are safe and if none of them want to fly the Labradors, what alternatives does the minister have for meeting Canada's continuing search and rescue needs?

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, unfortunately the cause is not known but there is no evidence also to support any systemic failure. So it has been

decided by the chief of the air staff, and I fully support his position, that these helicopters can go back in the air.

The majority of the search and rescue crews want to get back in the air, want to get back to providing this service for Canadians. Some of them were part of the squadron where the six deaths occurred. They will be given a little more opportunity to make their decisions before going back into the air and I think that is a good way to move it.

* * *

EMPLOYMENT INSURANCE

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, the government repeatedly argues that employment insurance money does not really belong to workers but the very fact that the government pays interest on the billions of dollars it borrowed from the EI fund is an admission that the government does not even believe its own story. Otherwise, why would it be paying interest?

If, as it has claimed, the fund belongs to the government to spend however it wants, then why in the world is it paying \$711 million in interest charges this year on the money it borrowed from the fund? Why is it paying interest?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, it is the government's position that contributions to the government, whether they come from EI contributions from employers or employees or whether they are taxpayer dollars, they come from the taxpayers of this country and they must be administered with great prudence. That is what we are in the process of doing.

We do not regard taxpayer dollars as simply found money. That may well be the difference. That is why we provide good administration.

Mr. Monte Solberg (Medicine Hat, Ref.): So in other words, Mr. Speaker, the finance minister is saying the government is paying interest to itself. That is what he seems to be saying.

If you take money that does not belong to you, you go to jail. You do not pass go, you do not collect \$350 per worker. Why doesn't the finance minister just give back that \$350 per worker and quit this Liberal larceny?

The Speaker: I prefer that words like larceny not be used in question period.

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, at a time when the climate outside our borders was benign, when Japan was not in a depression, when Russia's government was operating, the Reform Party recommended that the government use the EI fund to reduce the deficit.

Now outside our borders the situation is certainly stormy and the government must protect itself and the Canadian people. By what twisted logic does the Reform Party decide all of a sudden that we

Oral Questions

should abandon that cushion? The issue is what torturous minds develop economic policy for the Reform Party.

* * *

• (1435)

[Translation]

ELECTION IN QUEBEC

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, the federalist camp is in disarray, and some people have even asked the Prime Minister to shut up for the duration of the election campaign in Quebec.

Does the Prime Minister intend to follow the advice of his Quebec federalist allies, who are asking him to shut up for 36 days and to wait until after the election campaign to say what he thinks?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, this has to be the first time the opposition asks the Prime Minister not to answer its questions. I sit in the House of Commons. It is my duty to do so and I answer all questions.

I would like to say that the PQ and the BQ do not want to talk about their mismanagement of Quebec. They are trying to pick a fight with the federal government, instead of talking about the mess they created in Quebec, particularly in the health sector.

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, the Prime Minister should give a call to his friend Jean Charest, who said that it is not Bouchard or Rochon, but the Liberal government of Jean Chrétien that should be blamed.

The Speaker: I remind my colleagues that they must not use names.

The hon. member for Témiscamingue.

Mr. Pierre Brien: Mr. Speaker, if Jean Charest's friends are asking the Prime Minister to shut up during the election campaign, is it not proof that what Jean Charest is promising is precisely what the Prime Minister calls unachievable hopes?

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, let me say whom the member should ask to shut up. He should ask the only person who said something despicable last weekend to shut up, namely the person who did not hesitate to compare the Quebec Liberal Party leader to a dictator in exile. That was despicable.

* * *

[English]

TAXATION

Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.): Mr. Speaker, two families in Prudhomme, Saskatchewan. In one of them,

Preston Tkatch is the sole breadwinner but his monthly take home pay after taxes is only \$220 more than the welfare cheque a family of the same size receives. It is this government's tax policies which are pushing more and more Canadians into poverty.

Why does this finance minister allow a situation to exist in which there is more incentive for people to go on welfare than to work?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, I suggest the hon. member might want to look at the new child tax benefit which is directed at exactly that.

In the last budget the government put in an additional \$750 million to bring it to over \$1.7 billion, precisely to deal with that kind of situation.

Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.): Mr. Speaker, this is about giving working Canadians a break so they can keep themselves out of poverty.

Mr. Tkatch also pays about \$700 a month in taxes, EI and CPP. It is close to the point where he might just as well sign over his paycheque to the government and live off the deductions.

Will the finance minister explain to Mr. Tkatch and others like him why they should not just quit their jobs and go on welfare?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, in the last budget the government provided \$7 billion worth of tax relief to Canadians who are in exactly that situation.

At the same time 400,000 Canadians have been taken off the tax rolls. That is precisely what this government has done to help the gentleman in question.

* * *

• (1440)

[Translation]

THE CONSTITUTION

Mrs. Suzanne Tremblay (Rimouski—Mitis, BQ): Mr. Speaker, my question is for the Prime Minister.

In the interview he gave *La Presse*, the Prime Minister said he had asked his ministers for a list of Quebec's traditional demands in February 1996.

Since this is a cabinet document, is the Prime Minister prepared to table it in the House, so that we may verify whether or not his cabinet is up on Quebec's traditional demands?

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, I would suggest the member read the February 1996 throne speech.

Oral Questions

But, since we are on the topic of traditional demands, and since the Bloc Québécois is so quick to think them up, I have a few traditional demands to suggest to Quebec: an end to the constant threat of referendums; an end to the separatist freeze; an end to referendums; an end to trickery and other flip-flops; an end to going around in circles.

Our objectives are the same as those of the leader of the Quebec Liberal Party: a better economic union, a better social union, a stronger Quebec within a united Canada.

Mrs. Suzanne Tremblay (Rimouski—Mitis, BQ): Mr. Speaker, by reducing Quebec's traditional demands, basic issues defended by all Quebec premiers for more than 40 years, to nothing more than a shopping list, is the Prime Minister not proving that he has understood nothing about Quebec, and that he would do a better job as the manager of a general store than as the Prime Minister?

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, the limitation on the federal government's spending authority, taken even further than in any—

Some hon. members: Oh, oh.

Hon. Stéphane Dion: Scorn is the weapon of the weak, Mr. Speaker.

Some hon. members: Oh, oh.

Hon. Stéphane Dion: But, seriously, there have been many changes—

Some hon. members: Oh, oh.

Hon. Stéphane Dion: Mr. Speaker, Quebecers will not be very edified to see how low the Bloc Québécois is willing to stoop in order to drag Quebec's election campaign into the House.

Some hon. members: Oh, oh.

Hon. Stéphane Dion: But, as my counterpart in Quebec even admitted, there have been in recent years important changes designed to improve service to the public.

I was going to mention, if I can make myself heard—which is by no means certain—the limitation on the federal government's spending authority, taken even further than during the Meech Lake Accord, which had the support of Lucien Bouchard at the time; the passage of the regional veto legislation; the distinct society resolution; the fewer conditions attached to the principal federal transfer payment to the provinces, the Canada social transfer; the clarification of roles in various areas, such as mining, forestry, recreation, tourism, social housing—

The Speaker: The member for Dauphin—Swan River has the floor.

[English]

THE CANADIAN BROADCASTING CORPORATION

Mr. Inky Mark (Dauphin—Swan River, Ref.): Mr. Speaker, the Prime Minister just cannot stand dissent. Just ask the former chair of the committee on fisheries or the former chief actuary of the CPP fund or students at APEC or Terry Milewski.

This House should know that the Prime Minister has introduced a bill that will allow him to fire—I say again fire—the president and every director of the CBC—

• (1445)

The Speaker: Colleagues, we are taking up a lot of time with my standing and sitting. I would prefer that we listen to the questions and, of course, listen to the answers.

* * *

THE CANADIAN BROADCASTING CORPORATION

Mr. Inky Mark: Mr. Speaker, members of the House should know that the Prime Minister has introduced a bill that will allow him to fire—and I say again fire—the president and every director of the CBC without cause.

Who is in line to be the next CBC president? Peter Donolo?

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the law of the CBC is quite clear and I quoted article 46(5) yesterday, which says that the society has, in the implementation of its mission and the exercise of its powers, freedom of expression and total independence in terms of journalism, creation and programming.

That is the position of the government.

Mr. Inky Mark (Dauphin—Swan River, Ref.): Mr. Speaker, could we imagine the APEC coverage if the Prime Minister's office was running the CBC? Jean Carle would be the news director and if Jason Moscovitz said anything controversial they would immediately cut to a commercial. Peter Mansbridge's newscast would be a lot shorter because Ivan Whitehall would read it first and cross out anything embarrassing.

Why is the Prime Minister trying to control the CBC? Whatever happened to freedom of the press?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, I am very happy to get some advice from the Reform Party on the CBC because in its last policy paper the Reform Party had a plan for the CBC. It was to abolish it.

*Oral Questions***APEC INQUIRY**

[Translation]

THE CONSTITUTION

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, in the interview he gave to *La Presse*, the Prime Minister explained that his one-step-at-a-time strategy was the right one, because it avoided stirring up what he called regional squabbling and jealousies.

How can the Prime Minister get worked up today about regional jealousies when the demands of Quebec are involved, when that was precisely the strategy he used, and made the most of, when it came time to causing the failure of the Meech Lake Accord?

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, it is hardly appropriate for the Bloc Québécois to talk about jealousy. That party is here in the House only to defend the interests of a single province, with no solidarity whatsoever with the others and, by so doing, it unfortunately sometimes encourages the same attitude in other parties.

What both Quebeckers and all Canadians need is for there to be an opposition some day—for the Liberals are governing very well—that will be able to reconcile regional interests among themselves, as we within this government, and this party, manage to do.

* * *

SCRAPIE

Mr. Denis Coderre (Bourassa, Lib.): Mr. Speaker, Quebec sheep farmers are experiencing an untenable situation at the present time, because of scrapie.

Can the Minister of Agriculture explain to us what the Government of Canada is doing, and will do, to help this important industry in Quebec?

[English]

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I am continuing to work with the sheep industry and the unfortunate situation that some of them are in.

I was pleased to announce this morning that we have increased the maximum cap for animals having to be destroyed because of this disease from \$300 to \$600 per animal.

This is in addition to the nearly \$2 million which will be paid to producers affected by this disease in Quebec in the last year or so. In addition, we are putting close to \$400,000 in place for research, to assist in the funding of an animal identification program in Canada and to implement a flock certification program. As well, the Farm Credit Corporation has put in place a 24 month deferred loan program to assist these producers.

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, I allege three things.

Number one, that the Prime Minister or his office was involved in using the RCMP to suppress Canadians' freedom of speech at APEC.

Number two, I allege that the Prime Minister or his office is involved in the continuing work against the commission.

• (1450)

Number three, I allege that the CBC legislation pending is because the Prime Minister did not like the CBC coverage of the APEC affair.

Will he give us an independent inquiry to show my allegations to be untrue?

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, in 1988 parliament decided how to deal with citizens' complaints against the RCMP. It created the Public Complaints Commission. It has operated effectively for 10 years. That is the way parliament decided to deal with such situations and that is what is happening now.

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, once again the solicitor general does not know what he is talking about.

This commission was derailed in the spring. This commission was derailed in September. This commission is currently derailed because of allegations against the chair. The only thing that has not happened to this commission is a decent burial.

Will the solicitor general give Canadians what they want and what they must have, the truth about APEC and the Prime Minister's involvement in stopping Canadians' freedom of expression?

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, the Public Complaints Commission will get to the truth exactly the way parliament intended it be done.

* * *

ROYAL CANADIAN MOUNTED POLICE

Mr. Svend J. Robinson (Burnaby—Douglas, NDP): Mr. Speaker, my question is for the solicitor general.

The solicitor general's unilateral \$8.5 million cut in funding for the RCMP in British Columbia and the Yukon means less money to fight organized crime, less money to fight drug trafficking and less money to fight white collar crime. It hits small detachments especially hard.

Will the minister now listen to the people of British Columbia and the Yukon? Will he restore to the RCMP the funds that were

Oral Questions

cut, give them back the ability to fight crime in our communities and stop turning them into bean counters?

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, the amount of money made available to fight organized crime in the last budget was a \$7 million or \$8 million increase over the year before.

The reality is that the way the money is spent by the RCMP is an operational question left to management of the RCMP, a very respected police force in Canada.

Mr. John Solomon (Regina—Lumsden—Lake Centre, NDP): Mr. Speaker, now that they have frozen RCMP cadet training, the Liberals want to impose alternate service delivery on the RCMP support staff at the Regina training academy.

ASD is another step down for our public service, where they are fired and then offered their job back at half pay. Under ASD government employees are always sitting ducks and all services are defunct.

Why is it always Saskatchewan that is devastated? Will the government back away from another silly decision or will this be another solicitor general debacle for the RCMP?

Hon. Andy Scott (Solicitor General of Canada, Lib.): Mr. Speaker, as I said before, the RCMP is experiencing financial restraint like everybody else. In this case it has temporarily stopped training at the depot in Regina. This has happened many times before. It is not unusual. It is simply a function of the way that the RCMP chooses to manage the situation.

* * *

[Translation]

HELICOPTER PURCHASE

Mr. David Price (Compton—Stanstead, PC): Mr. Speaker, in 1993, the Prime Minister took a calculated risk in canceling the helicopter contract. In 1996, he took another calculated risk in selling seven Chinook helicopters for \$16 million.

Will the Prime Minister stop placing human lives in danger and, to this end, retire the fleet of Labradors and replace them with other helicopters?

[English]

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, we do not put lives in danger.

The previous Conservative government was willing to waste an awful lot of taxpayers' money to buy a very inappropriate helicopter. This government did the right thing. It cancelled that contract. It is in the process of tendering for another helicopter that better meets our search and rescue needs, at a fraction of the price.

Mr. David Price (Compton—Stanstead, PC): Mr. Speaker, I guess for this government money is more important than lives.

The government continues to risk lives. In 1996 it sold perfectly good helicopters that could have been used for search and rescue. We cannot get them back.

Today the chief of air staff said "Nothing says we have not missed an undetected flaw in the remaining aircraft". He also confirmed today that there are offers on the table from Boeing and from the United States to loan Canada helicopters.

Will the Prime Minister stop the madness and get some help?

• (1455)

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, we have the crews and the equipment we need to do the search and rescue job. We not only have Labrador helicopters, we have Griffons, Sea Kings and fixed-wing aircraft like the Hercules and the Buffalo. We have expert crews that are anxious to get back into a full search and rescue operation. They will do that and they will do it with safe equipment.

If we need other machinery, we have it there as a back-up to call on when necessary. But we have the tools to do the job.

* * *

FOREIGN AFFAIRS

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, my question is for the Minister of Foreign Affairs. Lim Guan Eng is a Malaysian opposition MP who is spending 18 months in jail for criticizing a friend of the Malaysian Prime Minister. He lost his seat and he even lost the right to practise his profession as a private citizen. What has Canada done to protest this action, to support Lim Guan Eng, to support freedom of speech and to support the rule of law in Malaysia?

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, I know the hon. member has already met with Mr. Lim Guan Eng's family. I thank her and the member for Mount Royal for raising awareness on this issue.

I can report to her and to the House that the high commission in Malaysia has already made a direct representation to the ministry of foreign affairs in Malaysia. When I visit Malaysia next month I hope to be able to seek the opportunity to raise the matter directly with the minister of foreign affairs.

* * *

HEALTH

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, the health minister tries to distance himself from the BST internal memo, yet this internal memo states very plainly that there are three to four

meetings per week and that the individual from the minister's office who attends is John Dosseter.

I want to know directly from the minister, if he is being so open on this file, why does he hide the fact that his office is directly involved in risk management? Why would it need risk management on a policy like this?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, I will tell the member what we did. When the Senate committee on agriculture wanted scientists from Health Canada to testify and when the scientists said they were reluctant to go, I ensured that they were told the minister's office wanted them to attend, that it was their duty to attend, and that they should be there to answer questions. They did exactly that.

What did they say? They made it clear that Health Canada has not approved BST. There have been suggestions that we have been pressured to approve this drug. It has been under consideration by Health Canada for nine years. If that is what pressure is, it is not working very well.

* * *

[Translation]

SOCIAL PROGRAMS

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, in the interview he requested from *La Presse* last weekend, the Prime Minister regretted not having \$20 billion for social programs. But on September 13, speaking before the Canadian Chamber of Commerce, he boasted that his government had just paid down \$20 billion on the debt over 15 months.

Is the Prime Minister not ashamed of himself for laughing at people by claiming not to have any money for social programs when all of the \$20 billion surplus accumulated in the past 15 months went to paying down the debt without a penny going to health?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, a look at the last budget reveals that the government doubled funding for medical research and development, financed the medical transition fund and spent, over five years, in excess of \$7 billion on transfer payments to the provinces, most of which were for health.

* * *

[English]

BANK SERVICE CHARGES

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, my question is also for the Minister of Finance. A study was released yesterday by the consumer group Option Consommateurs. It indicated that Canadians are being gouged by outrageous

Oral Questions

bank service charges. Even the MacKay task force recommends fair, reasonable and non-abusive transaction practices.

In light of that, is the minister now ready to take action to protect Canadians against unfair and abusive bank service charges?

Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, I would like to compliment Option Consommateurs for the good work it has done on behalf of low income Canadians with respect to banking services.

The member is quite right. We have two major concerns in this area. One is access for the 650,000 Canadians who do not have bank accounts and who cannot get out of poverty unless they have access to basic bank accounts. The other concern is the service fees that would be charged for a basic bank account. These matters have been looked at by the MacKay task force and the House of Commons is looking at them. They are very serious concerns for us. I thank the member for the question.

* * *

● (1500)

TRANSPORTATION

Mr. Bill Casey (Cumberland—Colchester, PC): Mr. Speaker, my question is for the Minister of Transport.

Nova Scotia started charging a fee to drive on the Trans-Canada Highway and the federal government did nothing. Now New Brunswick is planning to charge a fee to drive on the Trans-Canada Highway, creating a huge trade barrier and projecting a profit of \$321 billion. First Nova Scotia and then New Brunswick. The next logical thought is that it will start in Quebec as well.

Will the minister use his constitutional authority to intervene on this huge interprovincial trade barrier and stop the madness of interprovincial trade barriers by the provinces?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, the government has used its constitutional authority on putting forward an agreement on internal trade. None of what has occurred on the east coast contravenes the transportation provisions of that agreement.

If one of those provinces feels aggrieved, it has the right to resort to conciliation and then a panel to resolve it. We prefer to use the agreement we have put together to resolve these issues in an amicable way.

* * *

[Translation]

PRESENCE IN GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of His Excellency, the Right Honourable

Government Orders

Cavaye Yeguie Djibril, President of the National Assembly of Cameroon, and a delegation of members.

Some hon. members: Hear, hear.

GOVERNMENT ORDERS

[*English*]

CANADA CUSTOMS AND REVENUE AGENCY ACT

The House resumed consideration of the motion that Bill C-43, an act to establish the Canada Customs and Revenue Agency and to amend and repeal other acts as a consequence, be read the second time and referred to a committee; and of the amendment.

The Speaker: The member for Markham had the floor and I said before question period that he would be able to resume. He has three minutes left if he wishes to use them in debate.

Mr. Jim Jones (Markham, PC): Mr. Speaker, currently the provinces have not demonstrated a significant interest in having Ottawa collect or have more authority over taxes beyond what Revenue Canada does currently.

• (1505)

Ontario is looking to attain greater authority over its tax levers. It cannot simply be said to the provinces that someone will have more authority over their spending without providing them with more direct authority over tax policies.

Some of the provinces feel this agency may ultimately lead to less. If the provinces are not interested, obviously the agency will not save money or lead to greater efficiencies.

While we are on the subject of privatization, I draw to the minister's attention Bill C-54 which essentially deals with electronic privacy. This bill was tabled by the Minister of Industry for a very important reason. Canadians by and large do not have a sufficient degree of trust in the level of privacy accorded by the Internet. Without privacy legislation which Canadians are willing to buy into, electronic commerce would be a whole bunch of wishful thinking.

The same thing applies here. The combination of privatization, taxation and privacy is a very interesting dynamic, one which leads to great anxiety for Canadians. The question that needs to be answered is if most Canadians are unwilling to give personal information over the Internet, why should we suppose that they are prepared to have a large, faceless private agency with access to their most sensitive, personal information? Quite frankly Canadians are not interested in such a situation occurring. We can

offload a lot of things but we cannot really offload leadership. That is what the government has tried to do.

Other than the issue of privacy Canadians also have traditionally expressed their frustration with the complexity of our income tax regime. There quite simply can be no justification for the fact that Canadians need to hire accountants to fill out their personal income tax forms. The notion that somehow a privacy agency will succeed in simplifying this process in a way that our present system cannot is completely without merit.

If we create incentives with all our public agencies or departments that recognize and award excellence as opposed to encouraging mediocrity we introduce market incentives without the existing agencies. We can achieve economies without necessarily creating new agencies.

In conclusion, the bill will not lead us toward a simpler tax system. It will not help us develop a fairer tax system. It will not achieve the goals of a flatter tax system. It is bureaucracy for the sake of bureaucracy, and that is the kind of legislation whose day has passed us by.

[*Translation*]

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Mr. Speaker, I am delighted to rise on this bill to create the Canada customs and revenue agency.

We have here yet another example of the style of management the Liberals adopted in 1993 after their return to power following the nine year reign of the Progressive Conservative Party under Brian Mulroney, Companion of the Order of Canada.

I will use this speech on the bill to illustrate how federal public servants, in the matter before us, may be vulnerable in the face of the policies developed by a government, namely those of privatizing and almost entirely eliminating the public service.

I would also like to make the following analogy, for our viewers, with the threat posed by the election in Quebec of a Liberal government under Jean Charest. We all know that the Quebec Liberal Party clearly indicated its intention, if the Liberals were to form the government in Quebec, to privatize on a large scale.

At the moment, what we fear federally could well happen provincially, if we were unfortunate enough to have Jean Charest's Quebec Liberals win the upcoming elections in Quebec.

On Thursday, June 4, 1998, one week before the long summer break, the Minister of Revenue tabled Bill C-43 to establish the Canada customs and revenue agency. It dates from the February 1996 throne speech, as the government announced its intention to set up a national revenue collection body.

This agency will, from the outset, be the transformation of the current Department of Revenue into a semi autonomous government agency.

• (1510)

It will have a mandate to negotiate with interested provinces and municipalities to collect all taxes in Canada. Ministerial accountability and parliamentary control would remain intact. The Minister of Revenue says he will remain fully responsible for administering the laws on taxes, customs duties and trade.

If that is the case, we might well ask why they are going to such lengths to transform a full department with one-fifth of all public service employees into an agency. What is the point of this agency? With the minister saying that few things will change, why set up such an agency, as I said a moment ago?

The answer is to be found in the remarks by the President of the Treasury Board, the member for Hull—Aylmer. I suspect there are a number of employees of Revenue Canada among his constituents who are watching us on television. I would hope that, in the next election, these people who live in the riding of the President of the Treasury Board will remember that this government and this minister have no interest in them as public servants. They are being left to the mercy of privatization and to be part of a semi-autonomous agency.

The minister is boasting here in this House almost of having the vote of the federal public servants. I hope that, for once, they will really make it clear to the member for Hull—Aylmer, the President of the Treasury Board, what they think of this agency.

The answer lies in the comments of the President of the Treasury Board, who says that the creation of the Canada Customs and Revenue Agency is an essential part of the government's commitment to modernize the federal public service. In the government's opinion, therefore, modernizing the federal public service is sort of like privatizing it; it means removing public servants from the effect of umbrella legislation such as the Public Service Employment Act.

This agency will employ about 40,000 public servants, some 20% of the entire public service, who will now be at the mercy of its board of management.

In a ten-minute speech, it is difficult to cover all the bases. I would like to take the opportunity to congratulate my colleagues on this side of the House, who worked very hard studying this bill, including the hon. member for Terrebonne—Blainville.

I would like to list the main reasons for rejecting this agency. First, we will have a mega tax collection agency that will enable the federal government to extend its influence to our communities. Moreover, with this agency, accountability to the public and to Parliament will be weakened. We also feel that the agency could be prejudicial to the privacy of Quebecers and Canadians. This

Government Orders

agency is a classic example of the building of an empire by Ottawa's senior bureaucrats locked up in their ivory tower.

The Bloc Québécois thinks the primary reason for creating this agency is to conclude new tax agreements with the provinces, something which, incidentally, has not materialized. We also think that small and large businesses are not impressed with the new agency.

I see that the hon. member for Mercier, who is our industry critic and who pays very close attention to the concerns of small businesses, agrees with what I just said.

As we know, the business community was supposed to be the first to benefit from the agency. However, reaction to the new agency was mixed, to say the least. Organizations representing small businesses, including the Canadian Federation of Independent Business, were particularly suspicious of the enormous powers that would be concentrated in the hands of the agency.

A full 40% of the businesses that participated in a Public Policy Forum study commissioned by Revenue Canada see no point in having this agency. We are not talking about 2% or 3%, but about 40%. Forty percent of the businesses polled feel that the agency would increase or maintain the costs of their relationship with the department.

• (1515)

That is why we in the Bloc Québécois are of the opinion that this agency will bring about new hidden taxes. Its supposed purpose is savings, but we believe it will bring new costs.

In fact, the agency is already wasting money even if it does not yet exist. We know that, even before gaining parliamentary approval, it is already costing the taxpayers money. Hundreds of departmental employees have already been relieved of their usual duties and assigned to design teams or other exercises serving the ambitions of senior bureaucrats.

Any public servant listening to us knows what we mean by senior bureaucrats in the federal public service. We do not need to spell it out. They know, for they live with it every day.

This costly diversion has also prevented the department from concentrating on its usual tasks.

One final point we would draw to the attention of this House is that this agency will be more bureaucratic than Revenue Canada.

I had the opportunity to meet in my riding an employee of Revenue Canada working in the Quebec City region, who made me very aware of the nasty effects and aspects of this agency. To protect him under the provisions of the Public Service Employment Act, I will not name him, but he and his colleagues know who they are.

Government Orders

The employees of Revenue Canada are concerned and anxious. They tell us that the declared intention is to create a headless bureaucratic monster that can go where it will and do what it wants. I am not sure this agency will look after the public interest.

In conclusion, Quebec does not support the desire of the federal government to centralize all activities related to the collection of federal revenues in a countrywide agency. We in Quebec already have our own department of revenue—

The Speaker: I am sorry to interrupt you, but I thought you were concluding. In any case, your time is up. Perhaps you could come back for the next round.

[*English*]

Mr. Lynn Myers (Waterloo—Wellington, Lib.): Mr. Speaker, I am pleased to rise in the House today to debate this very important issue. I do so on behalf of the residents of Waterloo—Wellington.

I want to begin by pointing out an important element of the proposal for the Canada customs and revenue agency and that is that it is a framework for the participation of the provinces and the territories. By setting the right conditions for greater co-ordination of federal and provincial tax administration, the agency can and will serve both the national as well as the provincial interests.

The success of the Canada customs and revenue agency does not require the participation of every province and territory. In fact participation in the agency is fully voluntary. The agency is intended to provide a framework and a platform to work for the benefit of all the provinces, not to take over any provincial powers. The creation of a new agency will reduce overlap and duplication between federal and provincial revenue administration.

As you know, Mr. Speaker, there is only one taxpayer. Why not then a single administration to collect taxes? This approach will allow governments to reduce their administrative costs and at the same time provide savings in compliance costs to taxpayers. Only where provinces and territories agree that a sound business case can be made for a specific service to be supplied by the agencies will these arrangements in fact be made.

The province of Quebec has been consulted along with all other provinces since the beginning of this process. Quebec has told us that although it does not want the new agency to administer any of its programs, it is willing to stay informed about its progress.

• (1520)

The agency legislation in fact simply represents a framework for closer collaboration. There is no obligation on the part of Quebec or any other province to have the agency administer more programs

on its behalf if it is a matter completely for each to decide on its own.

Even if Quebec chooses not to participate, Canadian businesses will still benefit by saving between \$116 million and \$193 million annually in compliance costs. In addition, governments would save between \$37 million and \$62 million in administrative costs. Any new programs that the agency will administer will be based on a business case analysis. This will apply to Quebec as it will to all other provinces.

At the present time Revenue Canada collects personal income taxes for nine provinces and corporate income taxes for seven. Revenue Canada administers provincial social benefit programs for British Columbia, Alberta, New Brunswick, Saskatchewan, the Northwest Territories and Nova Scotia. Revenue Canada also collects provincial sales tax, and alcohol and tobacco taxes at the border for a number of provinces. It also administers the national child benefit. There is ample precedent for this co-ordination and consolidation of services.

The proposed agency by its very structure should expand even further the level of co-operation and at the same time increase the provincial voice in tax administration.

Provinces and territories will be able to supply lists of nominees from the private sector for 11 of the 15 directors on the board of management which will direct the business planning of the agency. These directors will not, I repeat not, be on the board to represent the specific interests of their province, but rather to bring a provincial and regional sensitivity to the management of the board and the agency.

The powers of the agency will be broad enough to allow it to enter into service agreements with individual provinces, for example for the collection of a non-harmonized provincial tax. Until now Revenue Canada could only administer provincial taxes if they were harmonized with federal taxes, limiting the number of programs that could be administered by Revenue Canada. Under Bill C-43 the agency will be empowered to administer non-harmonized taxes such as the provincial sales tax which is not harmonized. There are still economies of scale under a single administration even if a tax is not harmonized.

The agency will enter into an agreement with a province to administer a tax, but all of these agreements will have to follow guidelines which will be established by federal and provincial finance ministers. These guidelines will ensure that any taxes collected by the agency on behalf of the provinces and the territories will first of all, be legally valid; second, not jeopardize the system of self-assessment; third, not involve double taxation; fourth, ensure fairness; and finally, be undertaken under mutually acceptable contractual arrangements.

Government Orders

The last criterion demonstrates an important aspect of these agreements. They are service contracts with the agency providing a service to a province or territory according to specific terms and conditions of a contract between the two parties. This means that the province or territory will retain full authority over the tax and will be accountable to the taxpayers for it.

The agency will have to strengthen its accountability to the provinces for the administration of programs on their behalf so that they in turn can be accountable to their own taxpayers. Once a year the commissioner of the agency will have to report to provincial and territorial ministers on the programs and services managed on their behalf and offer to meet with them also on an annual basis to obtain their feedback on the agency's performance on their programs and their services. This strengthening of the accountability and performance bonds between the agency and the provinces and the territories will ensure that programs and services remain innovative, responsive to clients and cost effective.

I also want to point out that a study of the Public Policy Forum estimates that Revenue Canada could administer current provincial taxes for about \$97 million to \$162 million less than is currently spent, an overall reduction of 6% of the current costs if all provinces participate. The agency is currently undertaking joint studies with some provinces to examine specific possibilities.

• (1525)

Savings to individuals, businesses and governments increase as more provinces and territories participate. So it is in the best interests of all Canadians to have as much provincial and territorial participation as possible.

Bill C-43 will make the Canada customs and revenue agency a reality. The agency will be structured and positioned to earn the support of the provinces and the territories.

I want to point out that all provinces and territories as well as the federal government have worked hard to put their financial houses in order. The Canada customs and revenue agency is an opportunity to reduce costly overlap and duplication between the orders of government even further. That is important to note and certainly something all Canadians want.

I urge this House to pass Bill C-43 as quickly as possible so that Canadians in all provinces can realize the tangible benefits of better and more cost effective tax, customs and trade administration services in Canada. I believe that is what Canadians want and I sincerely believe that is what Canadians deserve.

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Madam Speaker, I regret very much that I have the opportunity to debate Bill C-43 this afternoon because I do not think this bill is necessary at all. This is a good example of unnecessary meddling. It is

ideological child's play, or incompetent bungling, or a hidden agenda. I am not sure what to call it when it comes to this government and Bill C-43.

I certainly have never had constituents, other than people who felt they had been done some particular injustice, cry for the quasi privatization of Revenue Canada. I do not think the government is responding to any real need, except perhaps a need to cook the books with respect to how many employees there are in the federal public service.

Revenue Canada's 40,000 employees make up about 20% of the federal public service. This particular bill would also involve the transfer of more than \$2 billion in annual parliamentary estimates.

It seems to me that what the government is up to here is it is creating the impression that it is somehow downsizing the public service. Then two or three years from now, whenever this becomes a reality, the government can say that it eliminated 20,000 employees from the public service payroll and that it should be lauded or should get some right wing award or medal for how many public servants it eliminated. It seems to me that is part of what is going on and I want to say how strongly I object to it.

I happen to have the taxation data centre for western Canada in my riding. Many hundreds of Canadians work there, many full time as well as part time early in the spring when people's tax returns are due.

I was recently there to participate with many of the workers, hundreds of them again, when they were demonstrating in favour of pay equity, when they were showing their anger at this government for not respecting the judgment of the tribunal. This government is now adding insult to injury. Not only is it saying to these people that it will not respect the tribunal's judgment on pay equity, but it is also going to change the nature of the government department they work for in such a way as to make them much more vulnerable than they are now.

I would say with confidence that I speak on behalf of hundreds of my constituents and those who live in surrounding constituencies who work at the taxation data centre when I register my opposition to Bill C-43 and the intention of the government to establish the Canada customs and revenue agency.

• (1530)

I said earlier that I thought this was completely unnecessary. One of the arguments for that is that there is certainly not the kind of support we would want from the provinces if we were going to create such an agency.

The government is moving toward this independent agency without the support of four major provinces and, as I have already said, it does not have the support of the majority of its workers. The

Government Orders

major stakeholders are not buying it. Certainly the citizens of this country have not indicated any great desire for this to happen.

Ontario, Quebec and Prince Edward Island are firmly opposed. B.C. and Saskatchewan have not endorsed the concept. All provinces generally see the agency as an intrusion into provincial jurisdiction.

Canadian businesses have major reservations about the proposed agency. There is certainly a concern that a lot of people have, whether they be in business or ordinary citizens or whomever, that we might see down the line this new Canada customs and revenue agency becoming out of control, becoming something like the IRS in the United States which has a history of working according to quotas, of intimidating and harassing taxpayers in order to get a certain return on its investment one might say. We do not want to have this kind of system in our country.

There has been no demonstrable need or desire for changing Revenue Canada in this drastic way. The jobs of tens of thousands of civil servants are being put in jeopardy here. It seems this is one more instance of an ideological fetish or fixation on the part of this government for forms of privatization and quasi-privatization that it would do well to give up on.

We have seen the downside of privatization in a number of other instances. We saw it just last week when CN was laying off 3,000 people simply to please its shareholders, not because there was any particular need to lay off these people, not because there was not work for them to do.

An hon. member: Lay off Tellier.

Mr. Bill Blaikie: There is an idea. However, when Paul Tellier leaves the CNR with all his stock options and everything else he takes with him, chances are the next CEO of CN headquartered in Montreal will be American. Mark my words. It will be an American imported from some American railway and we will have the absolutely shameful spectacle of Canadian National, headquartered in Montreal, being operated and directed by an American. This is not many years away. All this is because of this Liberal government which did and is doing things that not even those who we knew to be ideological, those who we knew to be right wing, the Conservatives, did in this respect.

This is the betrayal that we have seen since 1993. At least many of things the Conservatives did they said they were going to do. They were at least up front about their philosophy and about where they stood with regard to crown corporations and the role of government. They were not deceitful like the Liberal Party was in its campaign of 1993 in particular. By 1997 people had reason to at least know where it was at but for a variety of reasons it is still the government.

However, the Liberals have not learned a lesson and we see here before us Bill C-43 where they are proceeding with another form

of privatization. I just wanted to register my strong objection and the objection of my party, which was registered before by the hon. member for Regina—Qu'Appelle and many other members, to this particular measure and our contention that it will prove to be a mistake and one that many Canadians, particularly those who now work for Revenue Canada, will pay dearly for.

• (1535)

Mr. Bryon Wilfert (Oak Ridges, Lib.): Madam Speaker, we have heard a lot of fearmongering on the other side with regard to the establishment of this agency. I would like to point out the many reasons for moving to a departmental agency status, none more important than the demands of clients for better, streamlined and more responsive tax, customs and trade administration services, and more of them.

In the time of economic expansion the demand for tax, customs and trade services also increases. A million new jobs in Canada since 1993 means many more tax filers both individual and corporate. Resources at Revenue Canada have remained relatively stable during the period of economic expansion and steep increases in business volumes.

Much of the new demand has been accompanied by internal operating efficiencies. There is little room left for more efficiency gains at Revenue Canada under the present structure. Hence the need for a new framework.

The agency model proposed, Canada customs and revenue agency, is unique. It combines the strengths of both public and private sectors while remaining fully accountable to parliament and to the Canadian public.

In developing the Canada customs and revenue agency, the department has been sensitive to the concern of the concentration of too much power in one place. Tax, customs and trade administration affect the lives and livelihoods of Canadians. They want to be sure they are dealt with fairly and that their rights are protected. The intention is not to create a new agency with unlimited power and unlimited scope.

In the design of the new agency, the essential checks and balances that govern the activities and ensure the accountability of Revenue Canada have been maintained. For example, the enforcement powers of the new agency will be the same as those currently provided to Revenue Canada through legislation like the Income Tax Act or the Customs Act. If there is a problem or a complaint the minister will still be fully accountable to parliament and to the public for the administration and enforcement of specific legislation. The minister will also have the authority, as in the case now, to answer questions in the House and ensure the agency is acting properly in its dealings with the Canadian public.

The confidentiality of a taxpayer's personal information will be protected under the agency as it is currently with Revenue Canada.

Government Orders

The authorities governing confidentiality are clearly set out in legislation. They will not be changed by this bill.

Bill C-43 will permit the agency to offer new and better services to the provinces and territories. For example, at the present time Revenue Canada can only collect provincial taxes that are harmonized with federal taxes. The new agency will be able to collect non-harmonized taxes, expanding the potential for single window tax collection with considerable savings for businesses and individual Canadians.

Greater co-ordination between the federal and provincial and territorial governments will simplify tax administration for Canadians and reduce costs and overlap and duplication between governments. This is what Canadians expect and this is what we are going to deliver.

A major change that will allow the new agency to adopt a more client oriented approach would be increased operational flexibility in the management of internal resources. The new legislation will allow the proposed agency to tailor its human resources and administrative functions to meet the needs of its clients as well as those of its employees. All this means better service to provinces and territories, to businesses and to individual Canadians.

• (1540)

Doing something better is not an expansion of power but an extension of service; service to Canadians, service to businesses and service to the provinces and territories.

Better service means savings in time and money, savings in compliance costs for businesses, savings in administration costs for governments.

The intention of Bill C-43 is not to create an agency with extraordinary powers but rather to establish a framework with all the checks and balances for a superior agency.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Madam Speaker, Bill C-43 is a bureaucratic aberration, a serious blow against democracy, protection of personal information, respect for jurisdictions and service to the people, nothing less.

One of our colleagues opposite just offered an explanation as to why the Minister of Revenue is acting this way. He said that there is little room left for more efficiency gains at Revenue Canada under the present structure, so the minister is creating a so-called outside agency to achieve more efficiency gains. To this end, 20%

of the public service will be transferred to this agency and will no longer be subject to the Public Service Employment Act.

I would like to emphasize a number of elements of particular concern to me. What sparked off anger, or at least serious concern, in me was rereading the remarks contained in the February 1996 throne speech, where the government announced its intention to set up a national revenue recovery agency.

My colleague opposite spoke of modernization requiring that the agency have a new attitude toward its clients. He suggested that the public should be reassured about that. The problem in this bill, as it often is with bills brought in by this government, is that they are trying to create an illusion the way magicians do. When we take a closer look at the bill, we see that the opposite is true.

Who are the agency's clients? Looking through the bill, we see that they are governments, municipalities and organizations that sign agreements with the agency. The public is not a client. It is the target of recovery measures. And just what does recovery mean? It means something along the lines of "You have committed fraud. You have not paid what you owe." This is not at all the relationship we were led to believe was the goal.

In many of Canada's provinces, the public pays voluntarily at a given time, because our system is different from many others. People pay their taxes voluntarily, because they know the law. It is not a question of recovering income of which the government would have been deprived.

This is rather serious. It is more than a change in culture. It is a change in government ethics, with productivity being given as the excuse, as I have already said. But what will this bill produce? My colleague opposite said that it combines the best of the private and public sectors. I do not bet, but I am prepared to debate this statement a few years from now with any comers. What it does is combine the worst of the private and public sectors. The worst of the private sector will be bureaucracy instead of efficiency.

In administration we learn that bureaucracy has nothing to do with being in the private or the public sector. It has to do with the size of an enterprise. GM, a private corporation, has become a bureaucracy, with significant problems as a result.

• (1545)

What we know about this body is that it will have a tendency to become a bureaucratic organization. Moreover, in the public sector, what would the guarantees of quality and reliability have been? The people can have confidence because, for one thing, some of the MPs here will be able to defend them and to debate issues with the responsible minister.

It is said that the minister will continue to be responsible for this super-agency, but let us look at the powers he is able to confer on

Government Orders

others. He can delegate them to a commissioner or any other employee.

Instead of generating confidence, the opposite will be true. Much can be said about this. The fact that public servants are unionized is of concern to some, but it actually does allow them to act ethically in their duties as they must, particularly in collecting taxes.

From now on, they will be in a completely submissive position. They will, of course, try to get another union, but that will not be easy. They will no longer be covered by the Public Service Employment Act; they will be in a totally different position.

There are some really juicy parts to this bill. Care has been taken to state, under human resources, that one of the functions of the agency will be to provide for the awards that may be made to persons employed by the agency for outstanding performance of their duties, for other meritorious achievement in relation to those duties and for inventions or practical suggestions for improvements.

Where recovery of revenues is concerned, which means tax collection, let us say that any member of the public would find this a matter of concern. The government is not reaffirming the trust between taxpayers and this organization, which is a crown agency. Rather, it is trying to convert it into a bureaucratic agency—there is no other word to describe it—that will escape the necessary monitoring of the House and its parliamentarians.

I absolutely must discuss the issue of privacy. We are currently reviewing Bill C-54 on electronic commerce and the protection of personal information. In today's world, it is quite easy to match data and to obtain information on people from all sorts of sources, and to use this information in a way that might not be in compliance with the law, particularly if what we had in mind was to add things, to sign contracts with businesses and organizations, for instance.

This enormous agency that some dream about would be a perfect place to match data. We know how concerned the privacy commissioner was because the Department of Human Resources Development was matching data that, in his opinion, were supposed to be personal information. The right to privacy is a fundamental human right. We must not forget that. We are not living in Orwell's world, in 1984, although we may sometimes think that even that world would be better than the one we are living in.

Public trust is the foundation of an effective tax collection process. But for that trust to exist, there must be accountability. How can we expect to convince the public that ministerial accountability would be exercised, given that this revenue collection agency will be evaluated based on its profitability?

• (1550)

On what grounds will the agency be judged cost-effective? How will the public's rights—this has to be addressed—be defended?

How will these two issues be reconciled? Tragic situations can sometimes arrive; right now, recourse is available—through one's member of parliament—but this will no longer be the case.

The public must be warned that it is losing an important democratic right. It is allowing the creation of an organization where personal information may not be safe. When the workers are public servants with job security and a union, they are accountable to us. This, however, will no longer be the case.

[English]

Mr. Gary Lunn (Saanich—Gulf Islands, Ref.): Madam Speaker, we are debating Bill C-43, an act to establish a Canada customs and revenue agency. There is no question that we in the Reform Party believe in streamlining government and making sure there are efficiencies in any way we can save taxpayers' money. We have an obligation to do that for all people across Canada.

However there are problems with the legislation we are debating. There needs to be time for it to go through a process where it can be amended and debated so that it runs its course to ensure that taxpayers are getting the best possible result and the most efficient piece of legislation that will work in their interest.

Once again the Liberal government has brought in closure on debate against the will of all opposition parties. They all voted against closure. I will read some quotes. This is what one government members said in this regard: "It displays the utter disdain with which this government treats the Canadian people". This is with respect to closure, shutting down debate, and was said by Lloyd Axworthy on April 1, 1993.

The Acting Speaker (Ms. Thibeault): I must warn the hon. member again that we do not refer to members by their names in the House.

Mr. Gary Lunn: This is what the government House leader stated with respect to closure:

—I am shocked—. This is just terrible. This time we are talking about a major piece of legislation—. Shame on those Tories across the way.

This was on November 16, 1992 in the House.

The member for Kingston and the Islands, the Deputy Speaker, stated "What we have here is an absolute scandal in terms of the government's unwillingness to listen to the representatives of the people in this House. Never before have we had a government so reluctant to engage in public discussion on the bills brought before this House". That was a government member.

Since the government has come into power we have had 40 time allocation motions and 3 closure motions. This is a disgrace. We are all elected to the House. All 301 including the Speaker

Government Orders

represent Canadians from coast to coast. We all have a right to have our voices heard in the House.

• (1555)

Once again we see the government shutting down the process the minute those members get a bit squeamish or uncomfortable about anything, whether firing the minister of fisheries, trying to close the lid on government documents, not releasing them to committees, or bringing forward closure. It goes on and on and on.

That is the point I wanted to make with respect to closure and I want to leave some time for other members. We have very limited time in this debate. It is an absolute disgrace that the tactic the government uses is to shut down the debate every opportunity it can, the minute those members are a bit uncomfortable. I think they should be ashamed of themselves.

Ms. Angela Vautour (Beauséjour—Petitcodiac, NDP): Madam Speaker, the revenue agency act is another word for privatization affecting 40,000 employees at a time when the morale is low already for a large number of employees being affected by the pay equity issue. The Liberal government is refusing to bring justice to the men and women within the Public Service Alliance, but it made a promise in 1993 that it would honour the tribunal decision.

This bill is long awaited enabling legislation required to convert Revenue Canada from a government department into an arm's length special operating agency. When the notion of the Canada customs and revenue agency was first mentioned in the 1996 Speech from the Throne, it was presented as a cost effective, more efficient vehicle for improving service to the public. However, events have overtaken the agency to the point that it fails to meet all its stated objectives. It cannot now be justified on a basis of either bureaucratic efficiency or cost effectiveness.

Its supporting arguments are riddled with contradictions, misstatements of fact and flimsy rationalization. The concept of the Canada customs and revenue agency is bad public policy and should be stopped before it starts. The agency will be a mega-person, extending Ottawa's reach down into our community and our life.

It proposes to administer everything from provincial sales taxes to gasoline taxes and liquor taxes. Its vision would see a mega-tax-person that would offer services to municipalities. Do we really want Ottawa involved in our property taxes? Do we really want to put this much power into one government agency? Of course not. However left unchecked this may very well happen.

The agency will reduce accountability to the public and to parliament. Revenue Canada, as presently structured, is fully accountable to parliament and the taxpaying public through the Minister of National Revenue. The department's policies, pro-

grams and activities are open to daily scrutiny during the House of Commons question period.

On the other hand, the Canada customs and revenue agency poses a challenge to parliamentarians as guardians of the public trust and interest. Although its promoters repeatedly stress that the new agency would be fully accountable to our elected representatives, this is misleading at best and deceitful at worst.

To gauge the commitment of the agency's promoters to parliamentary oversight, one need look no further than the senior bureaucrats April 1997 progress report. This document brazenly suggested exempting the agency's operations from fundamental principle of ministerial accountability to the House of Commons. The elitist and anti-democratic proposal was withdrawn in the face of furious opposition.

The agency will face less scrutiny from parliament than is now the case. The auditor general has expressed his concerns over protection of the public interest. An agency will likely be less concerned than a fully accountable government department in responding to questions or concerns raised by individual MPs on behalf of the public.

• (1600)

As an arm's length separate employer the agency would find it easier to stonewall parliament while at the same time providing a pretext for the minister of the day to shift the focus of accountability to the top agency bureaucrat, the commissioner.

The agency's enabling legislation would permit a full parliamentary review only five years after it has begun operation. A lot can go very wrong over such a broad expanse of time.

The agency could jeopardize the public's personal privacy. We live in an electronic world where more and more information about us and our families is readily bought and sold by private sector organizations, from credit card companies to charities to consumer goods companies.

Should the agency meet its stated objectives, an incredible amount of personal and financial information would be concentrated in one institution.

The agency will renew Ottawa's effort to harmonize the GST and provincial sales taxes beyond the maritimes. Originally the CCRA was conceived as a bureaucratic blunt instrument to help government keep its 1993 election promise to abolish the GST. The agency was supposed to enable Ottawa to harmonize the unpopular GST with provincial sales taxes across the country. I think it is important that we talk about the harmonization of the GST and the PST. We ended up with a terrible sales tax in New Brunswick with the HST. We now have a 15% tax on electricity, a 15% tax on

Government Orders

heating oil and a 15% tax on children's clothing. It was an increase of 8%. That is what we got with harmonization.

[*Translation*]

It is important to point that out. It came with the harmonization of the taxes. In New Brunswick we pay huge taxes on children's clothing, on diapers, on electricity and on heating oil. The people being hit with increased taxes are the same ones being hit with toll highways at home. They have lost all sorts of income, for having lost their jobs, among other reasons.

There are also cuts in the employment centres, jobs that have been lost, employment insurance cheques that have vanished or been halved. Our taxes are now even higher, because the Liberal government refused to keep its promise to eliminate the GST.

[*English*]

The agency has also failed to impress small and big business. The business community, both small and large, was supposed to be the biggest beneficiary of the new agency. Small business organizations such as the Canadian Federation of Independent Business are particularly leery of the massive centralized power the agency would possess.

A full 40% of business respondents to a public policy forum study commissioned by Revenue Canada saw no advantage to the agency. More than two-thirds thought it would either increase or maintain their costs of dealing with the department as currently structured.

Actually, the agency will likely have to turn to user fees in order to deliver on its promise of cost savings. As planned, the agency would deliver the bulk of its costs by harmonizing the GST and the PST and by taking over provincial and municipal tax administration. But neither seems to be in the cards. So what is likely to happen?

One scenario would see an over-ambitious agency move to trim costs by reducing staff and services to the public. I think we have to look at that.

[*Translation*]

We know that, with an agency, the service will not improve. That has been proven in many areas. It is also a reason for cutting more jobs. The government finds reasons for cutting, and it is always the low person on the totem pole whose job is lost.

[*English*]

A more probable direction would see the imposition of user fees. User fees are something we see more and more of everywhere. Again, the one at the bottom with the lowest income has to pay all the user fees, be they to Revenue Canada, National Parks, trying to get a driver's licence or a medicare card. There are more and more fees and more and more people who cannot afford them.

• (1605)

As proposed, the agency would be empowered to set user fees for services that provide a specific benefit to service recipients. This immense loophole could see both individuals and small businesses paying additional fees for the privilege of paying their taxes.

No less a person than the auditor general has expressed his concern over the proposed agency's accountability. Denis Desautels asked in his December 1997 report to parliament: "How will Canadians and parliamentarians have assurances that the public interest is protected?" He was not able to get an answer to that question.

I want to conclude by saying that I think going to an agency is terrible for Revenue Canada. Perhaps for Parks Canada it would be all right. It is a way for government to cut and to bring down salaries. It is another word for privatization.

[*Translation*]

We must be concerned about these issues. We must understand the government has a hidden agenda. This has to stop.

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Madam Speaker, with Bill C-43, the Minister of National Revenue is proposing today the establishment of a new Canada customs and revenue agency. The federal government seems to be abdicating its primary responsibilities.

At this rate, why not privatize the Canadian Armed Forces and establish a government agency responsible for looking after the well being of Canadians? Why not privatize the RCMP while we are at it? Is there no end to this government's absurdity and irresponsibility?

As an educator, I can give you an example: the Post Office Department. Control over this organization was transferred away from the government when Canada Post was established. Naturally, this agency is accountable to the minister responsible for Canada Post. This minister is also the minister responsible for Public Works and Government Services Canada.

Canada Post rents a number of buildings from Public Works and Government Services Canada. In my riding, the tenant is not too happy. Dozens of residents of Disraeli have paid special attention to the grounds in front of the existing post office on St-Joseph Street, in Disraeli. This post office has been for sale for many years. There is a "For Sale" sign on the decrepit building and the cedar hedge is all dry.

As a member of parliament, I took upon myself to write the Hon. André Ouellet, the former minister who resigned to make room for the new Minister of Human Resources Development. As a reward, he was offered the title of chairman of Canada Post Corporation, which comes with an annual salary of \$154,000 and a bottomless expense account.

Government Orders

I sent a letter to André Ouellet to draw his attention to the fact that the exterior of the Canada Post building, a building rented by Canada Post Corporation but owned by Public Works and Government Services Canada, was in a sorry state.

My letter to the Minister responsible for Public Works and Government Services Canada was mailed in August, and the reply arrived two days ago. It read in part "In response to your letter of August 18, 1998, addressed to Mr. André Ouellet, chairman of the Canada Post Corporation, regarding the appearance of the Disraeli post office, which is owned by Public Works and Government Services Canada".

• (1610)

The letter goes on to say "First of all, the fact that it has been planned for some years now to vacate this building has had an impact on the approval of renovation projects. In 1995, certain repairs were recommended in an expert evaluation, but since the building had been declared surplus, only priority projects were undertaken, among them the installation of an automatic door opener to bring the building in line with accessibility standards".

A short paragraph follows that will definitely be of interest to the people of Disraeli. "Moreover, I will take advantage of this opportunity to inform you that this building is about to be sold. A purchase commitment was accepted on September 30, contingent on financing".

The danger that lurks behind the creation of an agency like the one here, which would collect taxes, including the federal GST and the provincial sales tax, is that everything will be allowed to deteriorate. The building I have referred to here is located in a town of 3,000, but serves most of the surrounding rural municipalities as well, and it has been totally neglected. It is an embarrassment to Canada Post.

Canada Post says "But, you know, this building is not our property. It belongs to Public Works Canada". Public Works Canada says "It is pointless to repair the building, we want to sell it". You can see what happens under a government led by the Prime Minister and member for Saint-Maurice, who gets bad, very bad advice.

In this regard, I want to quote a statement made not too long ago by the President of the Treasury Board, who said "Creation of the Canada Customs and Revenue Agency is an essential component of the government's commitment to modernize the federal public service". The minister did say "to modernize the federal public service". He should come to Disraeli. The member of parliament had to ask that a totally dried out hedge be removed to get things moving. Everything is neglected.

After the building in Disraeli is sold, what will Canada Post do? It will sign a long term lease, probably for a period of 10 years,

with an option to renew at conditions that are usually very reassuring to the new buyer.

As with the statements made by the Prime Minister to *La Presse* a few days ago, one can see that they are totally out of touch with rural areas and people who want a certain quality of life.

The Prime Minister should get out of his bubble and meet ordinary people. If he does not want to come to Frontenac—and I can certainly understand why—he should at least go to his own riding of Saint-Maurice. His constituents only see him once every four years—when he is seeking re-election—along with about 100 people working for him.

There is another point I want to make. At first, the agency will be created by converting the existing revenue department into a semi-independent government agency. That agency will have the mandate of negotiating, with the provinces and municipalities that are interested, the collection of all taxes in Canada.

Let me give you another example, that of the RCMP and the QPP in Quebec, or the OPP in Ontario. As members know, the RCMP, which provides police services in the other eight provinces and in the territories—and even in certain large cities—only charges those provinces and cities 77% of its actual costs. This means that Quebec and Ontario indirectly pay 23% of the RCMP services in New Brunswick, British Columbia, Alberta and the territories.

• (1615)

That could happen. The provinces and municipalities not using this new tax, revenue or customs collection agency—if Quebec or Ontario fail to join—will pay indirectly for the other provinces using its services. An injustice will occur, just as is the case with the RCMP.

On the other hand, they say it will be the same thing and that they will comply with the Access to Information Act, the Privacy Act and the Official Languages Act. The Department of National Revenue is not even able to comply with the Official Languages Act now. I have had dozens of complaints in my riding from passengers and truckers going through Lacolle, who claim that the officers they see are unilingual English.

In closing, I promise one thing, and I have a pretty reliable memory. The member for Verdun—Saint-Henri will run into me when he speaks. He is one of the most vulgar and rude members of the Liberal Party.

[English]

The Acting Speaker (Ms. Thibeault): It is my duty pursuant to Standing Order 38 to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Acadie—Bathurst, Employment Insurance.

Government Orders

Ms. Val Meredith (South Surrey—White Rock—Langley, Ref.): Madam Speaker, I would like to use this opportunity to talk about the new tax agency and compare it to what exists now.

As a member of parliament, as do all members of this House, I meet with people on a daily basis who are having difficulties with Revenue Canada. These difficulties generally result from the adversarial approach that Revenue Canada uses.

I have seen individuals who have been in heart-wrenching situations where Revenue Canada has seemed to compound the hurt these people are facing.

I can give one example of a young mother who had a premature baby which weighed under two pounds and was put in a special hospital unit in the city of Vancouver. This child survived because of the hospital and the mother bonding with the child, giving it the incentive to be a real little fighter.

The mother at the end of the year tried to claim the expenses of travelling from South Surrey to Vancouver on a regular basis to make sure this child was bonding with her and to be supportive of the health care the child was getting. The mother was told it would not be covered because she should have gone to the hospital closest to her.

The hospital closest to the mother happens to be a palliative care hospital, a hospital which specializes in the treatment of the elderly, not newborns who are facing serious health problems. The hospital that specialized in this type of care just happened to be in Vancouver.

Revenue Canada, in dealing with this situation, said it was unfortunate but the hospital just happened to be a little bit too close. The hospital should have been another 10 kilometres away and then the mother would have qualified.

Tell that to a mother who is trying to make ends meet and who has extra costs because of the health needs of her child. Because the hospital happened to be 10 kilometres too close she did not qualify.

My concern is that there does not seem to be any kind of flexibility or compassion in the existing system. The existing system is managed by a minister of the crown, responsible to this House of Commons and accountable to the people of Canada.

• (1620)

I can give many other examples of people who have lost their homes and whose families have broken up because of the attitude within the existing Revenue Canada of "You owe us money and under all circumstances you will pay that money". When people find themselves in distress and unable to pay, whether it is GST or income tax, or when they have a problem and are appealing a decision, a year or two years later when the appeal process is underway they find that what they owe has tripled or quadrupled

because Revenue Canada is charging interest on the amount that is under dispute.

I cannot tell the House how many families I have had in my office who are just beside themselves because they are unable to pay the government. The government is unwilling to be flexible.

My concern is that if we have this independent agency, which is really only accountable to the minister, what is the attitude going to be? Is it going to be like the IRS? It wanted to charge a young lad who happened to catch the baseball which Mark McGwire hit when he was building up his home run record. This young lad gave the baseball back to Mark McGwire, but the IRS actually talked about taxing him on the amount that baseball would have sold for on the open market. That is the kind of irresponsible decision making that agencies make that are far removed from accountability.

My concern is that we are talking about setting up an agency that is only accountable to the minister. I am afraid it will be a little bit more hard-nosed than the existing system.

Let us say that this agency is a good thing. There are people at the provincial level, for example the minister of finance for Alberta, who feel that a proposal to handle federal-provincial tax collection would be a great thing and that it should go to any province that wants it, potentially gutting a key federal power. Provinces that ought to collect all taxes on their territory would remit the federal portion back to Ottawa, which is a reversal of the existing system.

People would say this is a provincial minister who is out to lunch. But he is not the only one. I will quote from a document from a provincial MLA who was asked to do a study for the provincial government of British Columbia. In his report he says "The division of taxing powers between the federal and provincial governments is an important part of what defines Canada as a federated state".

He goes on to say "It is time that our Confederation was renewed with a transfer of taxing authority from Ottawa to the provinces so that the provinces have the resources to adequately fund the programs that they are legally bound to deliver".

There are people across this country and provincial governments who believe that maybe we should be looking at a taxing authority. Where they differ from the federal government is that they feel it is time for these taxing powers to go back to the provinces so that the provinces can use the money to deliver the services, as they are the government closest to the people. Then they will release the funds that are necessary to the federal government so the federal government can do that which is its to do.

This is a debate that has occurred over a number of years. There are two sides to the debate. We have the Liberal government that feels it wants to get federal control of this agency and that the provinces will go along with it, not acknowledging that there are provinces and people in the provinces who feel it is the provincial

Government Orders

government that should be taking this initiative, not the federal government.

It is very important that if the government is serious about this manoeuvre of having an arm's length agency to collect taxes in the country that it take hold of the accountability factor a lot more than other ministers of the crown have done.

• (1625)

I do not know how many times immigration ministers have stood in this House to tell us that the IRB, the Immigration and Refugee Board, is an arm's length board which they cannot control and have no say in. The solicitor general has said that the Public Complaints Commission is at arm's length from the government and he has no say in it. At some point there has to be accountability. Somebody has to take responsibility for the decisions that are being made. If the minister of revenue is intent on establishing this agency, then he will have to accept responsibility for the decisions this agency makes on behalf of Canadians. Because it is an arm's length agency does not remove the fact that the buck has to stop somewhere, and it stops with the minister who is responsible.

Another concern of the opposition is that if this agency goes ahead there has to be some protection for the Canadian taxpayer. Canadian taxpayers who feel they are being taxed unjustly must be able to go to someone for help and assistance. We would like to see an office for taxpayer protection established before this agency comes into effect.

The taxpayer protection office would report to parliament each year, issue taxpayer protection orders, act as an advocate of last resort for taxpayers, assist taxpayers in resolving disputes, identify areas where taxpayers have been consistently having problems with the agency, propose changes to administrative practices where these problems arise, and identify potential changes to legislation in order to minimize problems encountered by taxpayers.

If the protection is there for the Canadian taxpayer, if there is a government commitment not to throw the taxpayer out to the wolves, we might be more willing to support this legislation.

Ms. Sophia Leung (Vancouver Kingsway, Lib.): Madam Speaker, employees, their unions and managers all agree that the current human resources framework of Revenue Canada is not suitable to meet their needs and those of the department and the clients. Employees want profound change in the human resources management system, yet they want principles such as fairness and equity protected.

Managers faced with the prospect of ever increasing workloads want the flexibility of a human resources system that recognizes the nature of the work that must be done and that permits innovative ways to provide tax, customs and trade administration services.

To its credit, the Public Service of Canada has taken several initiatives to reform itself and to provide better services to Canadians, but none of the alternative service delivery models developed to date can meet the unique requirements of Revenue Canada, its clients and its employees.

The departmental agency status, as set out in Bill C-43, will permit a human resources framework that can be customized precisely for Revenue Canada's employees and clients.

Since the announcement in the Speech from the Throne of February 1996 to create a tax, customs and trade administration agency, the department has been meeting regularly with its employees to develop a human resources vision for the future.

Six working groups were established during 1997 to look at the key aspects of human resources management. Approximately 7,000 Revenue Canada employees, including managers and union members, were contacted directly for their suggestions, ideas and consideration.

• (1630)

The most important findings were the need for human resources management based on values and principles rather than complex rules and processes, the importance of simplicity and flexibility in all aspects of human resources management, and the requirement to value employees.

Concurrent with these consultations, the legislative framework was developed for the new agency taking into account what the working groups said. As it presently stands, the Treasury Board of Canada and the Public Service Commission have different responsibilities for various human resources matters in Revenue Canada.

Bill C-43 will establish an agency that would be a separate employer under the Public Service Staff Relations Act with the authority to bargain directly with its union. The agency would have the authority for personnel management matters such as classification, training and development, terms and conditions of employment, and travel allowances, currently the responsibility of the Treasury Board under the Financial Administration Act.

The agency would no longer be subject to the Public Service Employment Act. Therefore staffing and related matters would be subject to policies approved by its own board of management. This is an important change since for example recruitment that can now take anywhere from three to six months under the government's

Government Orders

one system fits all approach could be reduced to less than four weeks in most cases.

The agency would develop its own staffing program in accordance with certain stated principles. The Public Service Commission would report to the agency on whether its staffing program was consistent with these principles which would be set out in the summary of the corporate business plan.

For any new human resources initiative, principles such as fairness and equity would always be safeguarded. For example, any new classification system would be designed to ensure gender neutrality, and all human resources policies would promote and reflect Canada's diversity.

At the present time the exact details of the human resources framework for the agency have not been worked out. A document of intent signed with the unions in December 1997 established how management and the unions would work together with employees to establish these details. Five design teams made up of managers and employees and with some union participants have already submitted reports on staffing, classification, recourse, training and development, and employment equity.

There are many possibilities created for employees because of the flexibility afforded by departmental agency status. For example, the reduction of the number of occupational groups and levels, a possibility under the new departmental agency status, would make it easier for employees to move between jobs, thus enhancing career mobility while addressing the business needs for the agency.

Agency control over the staffing process would mean that vacancies could be filled quicker and employees would not have to wait as long for promotions and transfers. One suggested improvement in working conditions would be more extensive use of flexible hours or work at home arrangements.

Of prime concern to most employees is what happens during the transition to new departmental agency status. Employees would remain public servants during and after the transition.

Agency employees would still have access to jobs in federal government departments. The agency would provide similar access to its jobs for persons in government departments. The Public Service Commission would have the opportunity to ensure that employees being hired by the agency met the requirements of the Public Service Employment Act.

• (1635)

Collective agreements in force at the time of the start up of the agency would be carried over until they are renegotiated. Existing

unions would continue to represent employees for a period of 120 days after which time a new certification process would occur under the Public Service Staff Relations Act.

Employees would maintain their existing pay and benefit entitlements, including pension rights and leave credits. They would be given offers of their same positions with the same duties and have 60 days to accept or refuse those offers. An employee who refuses the offer would be given the benefits of the government's existing workforce adjustment policy for alternative service delivery situations.

Indeterminate employees would be given a two year employment guarantee beginning from their date of transfer to the agency. Term employees would continue under the same terms and conditions as before.

A union-management design team is presently developing recommendations for an employment adjustment policy designed specifically for the agency. I am very confident that the agency will be able to design a policy that will give its employees the protection they require.

What would life be like for employees in the new agency?

Based on the expected expansion in programs and services on behalf of the provinces and territories, many new types of opportunities would be created. New types of programs and services would require new working relationships and new ways of performing work, including the expanded use of technology.

Continuing efforts to respond to client needs and demands would spawn a whole new work philosophy based on continuous learning and development. In fact, employees themselves are so convinced of this need that they suggest having a performance management system that links performance criteria to career development. They also proposed that managers under the agency be rated on their ability to support learning in the workplace.

Ms. Judy Wasylcia-Leis (Winnipeg North Centre, NDP):
Madam Speaker, I am pleased to have this opportunity to speak on Bill C-43.

I must say that a lot of us who are able to speak on the bill today feel very privileged. Many others will not be able to speak because of the heavy-handed measure by this government of bringing in closure. Why is it that every time a major public policy issue is before the House, this government rushes to bring in the hammer, to bring in the hook, to bring in the heavy-handed measure of closure?

My time in this chamber has been relatively brief. I have been a member for one and a half years, since the 1997 election. It seems

Government Orders

to me that the dominant method by which this government chooses to operate is the undemocratic approach of bringing in closure whenever the debate gets difficult. Whenever there is a need for us to discuss in serious terms, to share ideas, this government cuts off debate and denies us that opportunity.

One of the first pieces of legislation we had to deal with was Bill C-2, the changes to the Canada pension plan, a bill of serious importance for Canadians. It was a matter that should have been debated at length in the House but it was cut short by the heavy-handed measure of closure.

• (1640)

It is with gratitude that I just made it under the wire. The clock will strike in another hour and this debate will end. There will be no more opportunity for debate in principle on this very important piece of legislation. I want to echo the sentiments of many in this chamber today and express dismay at this heavy-handed approach by the Liberal Government of Canada.

I want to be very clear, as many of my colleagues have been, about our opposition to Bill C-43. Our opposition is to a piece of legislation that enables this government to convert Revenue Canada from a government department into an arm's length, special operating agency. In essence, as so many have said in this House, it is the privatization of a large component and a major function of government. This proposed agency is probably the largest privatization project of this government to date.

Like many in this chamber, I have searched in vain for substantive reasons for the bill before us today. We have heard time and time again from Liberals in this chamber today and previously that this bill is another important initiative on the part of the Liberal government to move in the direction of efficiency and cost effectiveness.

I researched and read as much as I could on this whole issue and I found very little support for those arguments of efficiency and cost effectiveness. In fact most of the information suggests the opposite, that this attempt to remove the operation of taxation and tax collection from government to an operating agency one step removed from government is in fact a more cumbersome, time consuming and costly process than what is presently in place.

We have heard from professionals in the field, from provincial governments, from academics, from chartered accountants, from businesses and from trade unionists very actively involved in this issue. These individuals and organizations have said almost with one voice that there appears to be no valid business case for an independent agency. Many have even gone a step further and said that the proposed Canadian customs and revenue agency is an idea in search of a rationale and one has not been found.

If it is not based on sound public policy, if it is not based on the goal we all share of making something better, of making changes to improve the situation, then what are the motives of this government? The answer can only be found in this government's never ending pursuit of privatization, of downsizing the public sector, of diminishing the role of government in areas historically and traditionally fundamental to the very notion of what government is all about and what government should be there for.

My goodness, it seems to me that in the area of tax collection we are talking about something that has been seen as the prerogative of the state, as an important role of government historically and traditionally in this country and around the world. Yet here we have a proposal, an idea looking for a rationale, that abandons this important public sector role and responsibility. By stealth this government abandons this role and responsibility to the private sector.

I say that the answer must be found in this ideological pursuit of privatization, offloading, deregulation, cutbacks and outsourcing. One only has to look at what has happened under this government over the last number of years to put it all together and come to that conclusion.

• (1645)

One only has to look at what this government has done every step of the way to dismantle social programs, to privatize important public services and to cut back on every area possible in order to ensure that the actors in the marketplace are able to operate on an unfettered basis.

It is not a stretch to suggest that the government is very much interested in this philosophy that the least government is the best government instead of looking at what makes the most sense for government to be involved in, when is it important to have strong regulatory approach to a policy area, when is it important to value the work of our public employees, and when is it important to ensure that we maintain within the public domain certain functions in order to ensure that all people in this country are served to the best of our ability.

Many in Canada have commented on the government's agenda. I quote from a paragraph written by Daniel Drache and Meric Gertler:

No area of government policy has been spared. Across a broad front that includes not only trade but regional development, tax and fiscal policies, old age pensions, family allowance, labour market policy, social income programs, and collective bargaining, the government moved persistently and systematically to reshape the institutional and legislative character of Canada. Its strategy is to water down Canadian redistributive programs so as to make them equivalent to the (American) lowest common denominator, and to cut the direct and indirect labour costs to business.

Government Orders

Is that not what we are dealing with? Is that not what is really behind it all? Is that not why so many Canadians are concerned?

I may not be able to convince the government to change that mad pursuit of privatization and deregulation but I hope that it would at least listen to the words of the employees who are impacted by this decision and recognize the kind of hurt and worry it is extending to 40,000 employees in this area, in particular to the large number of citizens in Winnipeg who are affected directly by this decision and whose voice ought to be taken into consideration by this government.

[*Translation*]

Mr. Claude Bachand (Saint-Jean, BQ): Madam Speaker, first of all, allow me to congratulate my colleague, the hon. member for Frontenac—Mégantic, on what I would call an excellent speech.

When I see government members, from their seats, lapse into vulgarity as they did during my colleague's speech, I think that he is on the right track. He is an opposition member, he says the right things. We are here to express our views and that of our constituents. I wanted to congratulate him on the excellent speech he made earlier, in spite of what the member for Verdun—Saint-Henri said.

My reasons for taking issue with this bill are many. I counted six, but I am sure I could find many more. In my ten minutes, I would have approximately one minute and a half to cover each of the six. I think I will address them globally, to say that this bill represents some kind of loss of control by the Canadian government and indeed Parliament.

Since this government took office, we have witnessed a major increase in the number of agencies and commissions created. As a result, when we want to question the minister responsible, in our capacity as MPs, we are told "Look, it is at arm's length from the government, it is a private corporation now".

Nav Canada is a good example. In my riding, we have a control tower at the Saint-Jean airport. I cannot even question the minister on the future of this tower. His answer would be "As the member for Saint-Jean, you know full well that Nav Canada is in charge now".

ADM is in charge of airports. The Canadian Wheat Board looks after wheat. Any time we question ministers, they run and hide behind the screen of agencies, commissions and the transfer of their current responsibilities to semi-private organizations.

• (1650)

Where do the interests of private enterprises lie? Often with their pockets and their shareholders. Very rarely are their interests

common ones. Very rarely are they the interests of voters and of the public in general. Their goal is to make sure that shareholders and directors earn as much money as possible.

I support capitalism. There is nothing wrong with the government making money, but it has responsibilities. What I cannot stand is watching this government continually handing over its responsibilities to private enterprise or to agencies. That is my first reason for opposing the bill.

As for anti-union measures, rarely has a government pushed so hard—probably because it was being pushed by the Reform Party, a party of the far right—for anti-union legislation, return to work legislation, legislation suspending the right to strike, and I could go on. I have spent 20 years of my life defending workers, and I find it outrageous that the first thing this government wants to do is to get rid of its public service.

What is more, it is very close to doing so because, in my riding, at least 30% go 40% of those who used to work for federal institutions located in the riding of Saint-Jean no longer do so. It is the same throughout Canada.

With an anti-union provision, the government is getting rid of employees and paving the way for poorer working conditions and lower salaries. What will become of government employees? They are being told "Leave, but it is not certain the agency will rehire you. Are you a Liberal? This will help when we decide whether we can rehire you".

We also know the patronage havens of the Liberal Party. How much will the commissioner of the customs and revenue agency earn? Earlier, I heard the member for Verdun—Saint-Henri hurl insults at my colleague. He is probably interested in getting the job of commissioner of the agency after his political career. Quite a few are appointed by the governor in council, actually by cabinet.

We also know that the salaries paid to these people are much higher than that of a member of parliament. In their career plan, many members of the Liberal Party sincerely hope that, after their stint in the House of Commons, cabinet will say something like "The member for Verdun—Saint-Henri was a good member. He used to lash out at opposition members because they were telling the truth. Therefore, we will appoint him commissioner and we will make sure that his salary reflects the fact that he is a friend of the party". The agency will be a patronage haven and this is another reason why I oppose the bill.

It is also a problem for Quebec. I represent a Quebec riding. The government introduced this bill, even though no province has said "we would agree to let the federal government's agency take over collecting our revenues". No province has said that, and this is particularly true in the case of Quebec, because we have always been proud of the fact that we kept our revenues in the province.

We even have agreements under which we collect the GST. In this regard, Quebec has always followed the same logic, namely that if it is going to control its fiscal policies, it must not let the federal government decide what to do and then say "I am the one collecting the money now. If you don't like it, re-establish Revenue Quebec". That would not be an easy task, because everything will have been handed over to Big Brother in Ottawa. This is not in keeping with Quebec's history or culture.

Quebec agrees on the harmonization of tax legislation, but it must be the sole collector. That is what Quebec wants. Quebec is never going to say "Take our money, collect Quebecers' taxes via the federal agency". I say to the House, no one in Quebec would agree with that.

Now, to look at small and medium size businesses. Of those surveyed, 40% see no advantage to this agency, and 68% feel that it is going to cost more. Some might react by thinking "This is just a jurisdictional problem with Quebec, the other provinces and the federal government". But that is not what the problem is. It goes further than that. Even the private sector does not agree with the government's way of doing things.

• (1655)

Another very significant aspect is the problem of privacy. When one looks at the bills introduced by the government, there is a strong tendency to give more and more control to super-agencies, which are going to control a lot of information that concerns pretty well everyone. This is what I would call the "Big Brother syndrome". The federal revenue agency will come along and say "Well now, Mr. Bachand, you took out a loan a few years back". This is monumental interference in the privacy of all Canadian taxpayers.

Imagine if this agency controlled all of Canada. They would call upon the services of the Department of Justice and the RCMP to do a kind of giant information collection, and we would end up with unacceptable interference in our private lives.

"Big Brother is watching you". With the federal government's ultra-centralist tendencies, it is not surprising when bills like this one crop up.

It runs counter to public opinion. The public is tired of being watched all the time. People are tired of having to deal with super-agencies, where there is nothing but a huge muddle and a total lack of sensitivity toward those who have to deal with government.

The agency will serve as a sort of cover. People with tax problems will have to take them to this huge agency whose employees will be working for low salaries and to low standards. Job performance will deteriorate. Employees will adopt inflexible policies and the poor taxpayer will once again be victimized by the system.

Government Orders

This agency will be a patronage haven, like all the agencies created by the federal Liberal government in the last few years. There are members in the House who look forward to a long career as public servants, people who will earn high salaries and wield considerable power.

Imagine the power of the commissioner of the Canada Customs and Revenue Agency. He will decide that he is entitled to as big a salary as the director general or the president of the Royal Bank, because the agency's budget will be much larger, and the value of its shares much higher as well. It will be a patronage haven and the delight of our Liberal friends, but it is not in the interests of voters and taxpayers.

I therefore agree with my colleague that the bill should be withdrawn. If it is not, I will vote against it, as I imagine all Bloc Quebecois members will do.

[English]

Mr. Steve Mahoney (Mississauga West, Lib.): Madam Speaker, one of the things that makes me nervous about speaking in support of this bill is that I understand many members of the Reform Party are going to support it. Whenever I see that happen I have to take a second look. I have done that.

In spite of the fact that it appears some members opposite, perhaps Conservatives and Reformers, see the logic in this bill, I would like to correct the record. Very seldom have I heard so much misrepresentation by so few to so many on the facts surrounding this bill.

The first issue I would like to address is the point made by one of the speakers for the NDP on the issue of closure. The member argues that the big bad government is bringing down the hammer. The fact is, as members know, this is a vote on second reading.

An hon. member: Shame on the Liberals.

Mr. Steve Mahoney: The member says shame on the Liberals. I say shame on the NDP for distorting the facts around this bill and for trying to perpetuate a number of myths that are simply not based on fact, many of which I will point out hopefully with some clarity.

As to the issue of closure, we have had 12 hours of debate in this place. Members opposite know full well that if they want to put amendments to a piece of legislation, the place to do that is in committee. One would almost think that members opposite, whether Bloc members who have their own agenda or NDP members who would like to see changes to this bill, would prefer that this bill be taken out of this place and put into the hands of a committee so that they could then put forward their amendments. They just might be surprised. Perhaps some of those amendments, if they make sense and if they are researched properly, which I do not have that much confidence in, might survive at the committee process.

Government Orders

• (1700)

One fundamental point is that the bill does something that I talked about in my former days in the province of Ontario, that is sets up one tax collector. Canadian people do not understand why we have so much bureaucracy to collect taxes.

The bill has received tremendous support from across the country. Members, particularly in the NDP but also in the Bloc, are stating, as the previous speaker said just moments ago, that provinces across Canada in addition to Quebec are not supporting the bill. That is simply not true. It is very unfortunate that a member can stand in this place and say something as false as that kind of statement.

Let me give an example. I will admit that the province of Quebec does not want the agency to administer its revenue programs. That is not a surprise. The Bloc Quebecois members are in the wrong house, I would respectfully suggest. They are provincial politicians. They openly admit they are not interested in a federation that works from sea to sea to sea.

It should come as no surprise that they would oppose any kind of agency that would streamline, reduce costs, reduce overhead and make the federation of Canada work better. That is not in their interest. They want to destroy our federation. We understand where they are coming from.

The reality is that the minister of revenue in Quebec has a strong working relationship with Revenue Canada. It has admitted that it collects the GST. That shows we are working together. That is clearly a federal task. People from the revenue ministry of the province of Quebec have already indicated, to correct the statements made, that they may participate on the board of management by submitting a list of nominees to help establish the process and make it work. Why do Bloc members not admit that? Why do they continue to falsify the record by saying that their province is totally opposed?

Revenue Canada has not received a single, unequivocal no from any other province. I want to share some quotes. Revenue Canada just concluded a service contract with the province of Nova Scotia. Let us go across this great land and take a look at what the provinces are saying. Mr. Don Downe, minister of finance for Nova Scotia, said:

This contract builds on the current strong, co-operative relationship between Nova Scotia and Revenue Canada and provides the means for our relationship to evolve under the new agency.

That sure does not sound like no to me. That sounds like federal-provincial co-operation. I will continue. Mr. Keith Colwell, Nova Scotia minister of business and consumer services said:

The details of this framework make good business sense—

And I know the NDP does not understand:

—and will mean better, more cost effective service, for the citizens of Nova Scotia.

That is a responsible statement by a provincial minister taking a look at some rejigging of the system and how the federation works.

Several members opposite have said that my province, the province of Ontario, opposes this agency. Let me give them a quote from my sometimes good friend Ernie Eves, the Ontario minister of finance who said:

I think that an agency like the CCRA could be a way to achieve Ontario's objectives of a simple, flexible, certain and transparent income tax system.

We all know that Ernie and Mike and the boys in Ontario are more in line philosophically with the Reform Party. Their common sense revolution clearly outlined principles and documentation that were extreme to the right and we have seen the impact in Ontario.

However, here is the treasurer, Mike Harris' number one golfing buddy and number one hit man, saying that it could be a flexible, certain and transparent income tax system. Ernie went on to say:

The CCRA could also provide a platform for a more flexible partnership between Ontario and the federal government.

• (1705)

I did not say it. It was Ernie Eves and I agree with him. I have another quote as recently as September 22 from my pal Ernie:

The CCRA could benefit Ontario taxpayers if it is able to administer Ontario taxes (both non-harmonized and harmonized) more cheaply and efficiently than the Ontario government.

He does not have his head stuck in the sand. He realizes that there is only one taxpayer and that a change like this could benefit that taxpayer. That is what he said, that taxpayers could benefit if the CCRA were able to improve services available to them. He has left the door wide open to negotiate with the federal government. He is being responsible in this instance. It is not often that I would say that about the provincial Tories, but in this instance they realize the benefits.

Let us go to New Brunswick. Those folk over there have been saying that every province in the country is against it. So far I have not found one on my journey across Canada. I know members opposite hate this because they do not like to hear the truth put on the record, the facts in terms of what provincial ministers are actually saying. NDP members would rather fabricate the information. They would rather take their interpretation of the bill, cry foul, say that it is awful and that the sky is falling. It is just not true. This is common sense, although I hesitate to use that word, being from Ontario.

Government Orders

The hon. Edmond Blanchard, minister of finance for New Brunswick, said:

I want to reiterate New Brunswick's full support for this initiative.

Does that sound like a maybe? Does that sound like he has some doubts? It is pretty clear.

Here is one the NDP should make a phone call on right now to try to find out how this could have possibly happened. The minister of finance for the province of Saskatchewan, the seat of socialism, the home of Tommy Douglas, the founding province of the CCF and the NDP. It cannot get any better than this. I quote the minister of finance, Eric Cline, who said:

As I have indicated previously, we are generally supportive of the proposed agency since it provides an opportunity to create a more effective and efficient organization for all taxpayers.

NDP members should talk to their own people and find out that all provinces support this federal initiative.

Mr. Ken Epp (Elk Island, Ref.): Madam Speaker, I am delighted to make a short speech on Bill C-43. I know it will be short because we will probably run out of time.

An hon. member: Hear, hear.

Mr. Ken Epp: Someone is happy anyway. I will address a couple of points. According to the government, the Canada customs and review agency is being established to increase efficiency in the collection of taxes.

I am not sure I have ever heard that from any of my constituents. No one has ever written, faxed or phoned me to say "I want a better tax system. I want the government to be more efficient in relieving me of my money". I have not had a single person tell me that would be his or her highest priority.

However, I have had people tell me of some other priorities related to efficiency. Because of lack of time I will not be able to talk about all of them. One priority that comes immediately to mind is the income tax system. It is complicated and long. Most Canadians have to hire someone in order to file their taxes. It is too complicated even for a person with a grade 12 education. That is not acceptable. Surely we can come up with a system of tax collection that is straightforward and not convoluted but one which people can understand and participate in.

• (1710)

We then have that much hated GST, the GST that the government was to eliminate if it were elected. Members may recall—and I certainly do, having run in the 1993 election—that the cry on the hustings was "Elect the Liberals, get rid of these scoundrel Tories and we will eliminate the GST. It will be gone, poof".

What has happened in most provinces is that it is now harmonized in the interest of a more efficient system, so we are told, but

the fact of the matter is that many people in eastern Canada in the so-called harmonized provinces are distressed because their total tax bill has gone up, up, up.

I think not only of the fact that we still have the GST, but if we want to make the tax system more efficient one of the places to look at is the GST. I have other words that are sometimes used for it. GST can be an acronym for more than just the goods and services tax.

I have talked to people who think that it is absolutely insane for money to be going in circles, in a vortex, sucking us all down. The government collects the money and then instead of spending it on operating the government and government programs, it creates a huge bureaucracy with an army of people whose job it is to send the money back that has been collected.

I am absolutely amazed that the Government of Canada, with all its experts, cannot come up with a tax that is a little better and a little more fair than simply saying it will collect money from us and then send it back. Thousands and thousands of individuals and businesses get back all the GST they pay. There are some individuals who get a refund of GST which exceeds the GST they pay. It has become a way of giving money to people who do not have a great deal of income.

I am not opposed to helping people who are poor, but it is ludicrous to force them to file an income tax return, which they have to hire someone to do, in order to get money from the government to which they should be entitled in any case.

I have spoken to a number of small business people. Most of them nowadays have access to computers and other things that help them become more efficient in doing their arithmetic for tax and bookkeeping purposes. I have also talked to a farmer not too long ago who said that during the summer he was so busy farming that he just did not have time to put together his books and file his GST rebate every three months.

He goes to town to buy a part that costs \$10 plus the GST of 70 cents. He takes this piece of paper which is worth 70 cents and puts it into a box because he does not have time to do it until the whole summer operation is over and harvest is done.

He then gets out the box and starts adding up all the little GST payments to apply for his credit. He says he cannot afford not to do it because if he does not apply for his GST rebate he will end up giving the government \$5,000 to \$6,000 to which it is not entitled and which he really needs.

He said that his time spent in doing that book work is worth about \$2 an hour and he would rather be spending his time becoming more efficient in his farming operation. He would rather use that time to do things that helped him to produce a better crop and maybe spend time with his family.

Government Orders

It is absolutely crazy to say that the only way we can improve efficiency is to come up with a customs and revenue agency. I do not know whether the government is sucking or blowing. It certainly does not know whether it is coming or going. It is privatizing parts of the military and the airports and now it wants to privatize the tax collection agency.

In my riding a private agency has been preparing coin blanks successfully and without ever missing a contract for 30 years. The government is saying it is needed there and is building this new coin plating plant in Winnipeg under government auspices. On the one hand it is privatizing and on the other hand it is putting private business out of business and taking it over as a government agency. We do not know whether the government is coming or going. I am distressed that this type of thing is the best it can come up with to try to make our tax system more efficient and more equitable.

• (1715)

[*Translation*]

The Acting Speaker (Ms. Thibeault): It being 5.15 p.m., pursuant to order made earlier today, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the second reading of the bill now before the House.

The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Ms. Thibeault): All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Ms. Thibeault): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Ms. Thibeault): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Ms. Thibeault): Call in the members.

• (1745)

[*English*]

(The House divided on the amendment, which was negated on the following division:)

(*Division No. 248*)

YEAS

Members

| | |
|--|------------------------------------|
| Abbott | Alarie |
| Anders | Asselin |
| Axworthy (Saskatoon—Rosetown—Biggar) | Bachand (Richmond—Arthabaska) |
| Bachand (Saint-Jean) | Bailey |
| Bellehumeur | Benoit |
| Bergeron | Bernier (Tobique—Mactaquac) |
| Bigras | Blaikie |
| Borotsik | Breitkreuz (Yorkton—Melville) |
| Brien | Brison |
| Cadman | Cardin |
| Casey | Casson |
| Chatters | Chrétien (Frontenac—Mégantic) |
| Crête | Cummins |
| Dalphon-D-Guiral | de Savoye |
| Desjarlais | Desrochers |
| Dockrill | Doyle |
| Dubé (Lévis-et-Chutes-de-la-Chaudière) | Dubé (Madawaska—Restigouche) |
| Duceppe | Dumas |
| Duncan | Earle |
| Elley | Epp |
| Forseth | Gagnon |
| Gauthier | Gilmour |
| Godin (Acadie—Bathurst) | Godin (Châteauguay) |
| Goldring | Gouk |
| Grewal | Grey (Edmonton North) |
| Guimond | Hanger |
| Hardy | Harris |
| Hart | Harvey |
| Herron | Hill (Prince George—Peace River) |
| Hilstrom | Hoepfner |
| Jaffer | Johnston |
| Jones | Keddy (South Shore) |
| Kerpan | Konrad |
| Lalonde | Laurin |
| Lebel | Lill |
| Loubier | Lunn |
| MacKay (Pictou—Antigonish—Guysborough) | Mancini |
| Manning | Marceau |
| Marchand | Mark |
| Martin (Winnipeg Centre) | Matthews |
| Mayfield | McDonough |
| McNally | Mercier |
| Meredith | Mills (Red Deer) |
| Morrison | Muise |
| Nystrom | Obhrai |
| Pankiw | Penson |
| Perron | Picard (Drummond) |
| Plamondon | Price |
| Proctor | Ramsay |
| Reynolds | Riis |
| Ritz | Robinson |
| Rocheleau | Sauvageau |
| Schmidt | Scott (Skeena) |
| Solberg | Solomon |
| St-Hilaire | Stinson |
| St-Jacques | Stoffer |
| Strahl | Thompson (New Brunswick Southwest) |
| Thompson (Wild Rose) | Tremblay (Lac-Saint-Jean) |
| Tremblay (Rimouski—Mitis) | Turp |
| Vautour | Wayne |
| White (Langley—Abbotsford) | Williams —122 |

NAYS

Members

| | |
|----------------------------------|----------------|
| Adams | Alcock |
| Anderson | Assad |
| Assadourian | Augustine |
| Axworthy (Winnipeg South Centre) | Baker |
| Bakopanos | Barnes |
| Beaumier | Bélair |
| Bélangier | Bellemare |
| Bennett | Bertrand |
| Bevilacqua | Blondin-Andrew |
| Bonin | Bonwick |
| Bradshaw | Brown |
| Bulte | Caccia |
| Calder | Cannis |
| Caplan | Carroll |
| Catterall | Cauchon |
| Chamberlain | Chan |
| Charbonneau | Clouthier |
| Coderre | Cohen |

Government Orders

Collenette
Coppes
DeVillers
Dion
Dromisky
Duhamel
Eggleton
Folco
Fry
Galloway
Goodale
Grose
Harb
Hubbard
Iftody
Jennings
Karetak-Lindell
Keyes
Knutson
Lastewka
Lee
Lincoln
MacAulay
Malhi
Manley
Marleau
Massé
McGuire
McTeague
Mifflin
Mitchell
Myers
Normand
O'Brien (London—Fanshawe)
Pagtakhan
Parrish
Peric
Pettigrew
Pillitteri
Proud
Redman
Richardson
Rock
Scott (Fredericton)
Serré
St. Denis
Stewart (Brant)
St-Julien
Telegdi
Torsney
Valeri
Volpe
Whelan
Wood—143

Comuzzi
Cullen
Dhaliwal
Discepola
Drouin
Easter
Finlay
Fontana
Gagliano
Godfrey
Graham
Guarnieri
Harvard
Ianno
Jackson
Jordan
Karygiannis
Kilger (Stormont—Dundas)
Kraft Sloan
Lavigne
Leung
Longfield
Mahoney
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick
McLellan (Edmonton West)
McWhinney
Minna
Murray
Nault
O'Brien (Labrador)
O'Reilly
Paradis
Patry
Peterson
Phinney
Pratt
Provenzano
Reed
Robillard
Saada
Sekora
Shepherd
Steckle
Stewart (Northumberland)
Szabo
Thibeault
Ur
Vanclief
Wappel
Wilfert

Mr. Bob Kilger: Mr. Speaker, I believe you would find consent to apply the results of the vote just taken in reverse.

The Speaker: Is there agreement to proceed in such a fashion?

Some hon. members: Agreed.

Mr. John Bryden: Mr. Speaker, I regret very much that I missed the earlier vote, but I would like to be counted with the government on this vote.

The Speaker: Noted and so ordered.

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

(Division No. 249)

YEAS

Members

| | |
|----------------------------------|---------------------------|
| Adams | Alcock |
| Anderson | Assad |
| Assadourian | Augustine |
| Axworthy (Winnipeg South Centre) | Baker |
| Bakopanos | Barnes |
| Beaumier | Bélair |
| Bélangier | Bellemare |
| Bennett | Bertrand |
| Bevilacqua | Blondin-Andrew |
| Bonin | Bonwick |
| Bradshaw | Brown |
| Bryden | Bulte |
| Caccia | Calder |
| Cannis | Caplan |
| Carroll | Catterall |
| Cauchon | Chamberlain |
| Chan | Charbonneau |
| Clouthier | Coderre |
| Cohen | Collenette |
| Comuzzi | Coppes |
| Cullen | DeVillers |
| Dhaliwal | Dion |
| Discepola | Dromisky |
| Drouin | Duhamel |
| Easter | Eggleton |
| Finlay | Folco |
| Fontana | Fry |
| Gagliano | Galloway |
| Godfrey | Goodale |
| Graham | Grose |
| Guarnieri | Harb |
| Harvard | Hubbard |
| Ianno | Iftody |
| Jackson | Jennings |
| Jordan | Karetak-Lindell |
| Karygiannis | Keyes |
| Kilger (Stormont—Dundas) | Knutson |
| Kraft Sloan | Lastewka |
| Lavigne | Lee |
| Leung | Lincoln |
| Longfield | MacAulay |
| Mahoney | Malhi |
| Maloney | Manley |
| Marchi | Marleau |
| Martin (LaSalle—Émard) | Massé |
| McCormick | McGuire |
| McLellan (Edmonton West) | McTeague |
| McWhinney | Mifflin |
| Minna | Mitchell |
| Murray | Myers |
| Nault | Normand |
| O'Brien (Labrador) | O'Brien (London—Fanshawe) |
| O'Reilly | Pagtakhan |
| Paradis | Parrish |
| Patry | Peric |
| Peterson | Pettigrew |
| Phinney | Pillitteri |
| Pratt | Proud |
| Provenzano | Redman |
| Reed | Richardson |

PAIRED MEMBERS

| | |
|-----------------------------|------------------------------|
| Boudria | Canuel |
| Finestone | Fournier |
| Girard-Bujold | Gray (Windsor West) |
| Guay | Lefebvre |
| McKay (Scarborough East) | Ménard |
| Mills (Broadview—Greenwood) | Pickard (Chatham—Kent Essex) |

The Speaker: I declare the amendment defeated.

The next question is on the main motion. Is it the pleasure of the House to adopt the motion?

Government Orders

| | |
|--------------------------|---------------------|
| Robillard | Rock |
| Saada | Scott (Fredericton) |
| Sekora | Serré |
| Shepherd | St. Denis |
| Steckle | Stewart (Brant) |
| Stewart (Northumberland) | St-Julien |
| Szabo | Telegdi |
| Thibeault | Torsney |
| Ur | Valeri |
| Vancief | Volpe |
| Wappel | Whelan |
| Wilfert | Wood—144 |

PAIRED MEMBERS

| | |
|-----------------------------|------------------------------|
| Boudria | Canuel |
| Finestone | Fournier |
| Girard-Bujold | Gray (Windsor West) |
| Guay | Lefebvre |
| McKay (Scarborough East) | Ménard |
| Mills (Broadview—Greenwood) | Pickard (Chatham—Kent Essex) |

The Speaker: I declare the motion carried.

(Bill read the second time and referred to a committee)

NAYS

Members

| | |
|--|------------------------------------|
| Abbott | Alarie |
| Anders | Asselin |
| Axworthy (Saskatoon—Rosetown—Biggar) | Bachand (Richmond—Arthabaska) |
| Bachand (Saint-Jean) | Bailey |
| Bellehumeur | Benoit |
| Bergeron | Bernier (Tobique—Mactaquac) |
| Bigras | Blaikie |
| Borotsik | Breitkreuz (Yorkton—Melville) |
| Brien | Brison |
| Cadman | Cardin |
| Casey | Casson |
| Chatters | Chrétien (Frontenac—Mégantic) |
| Crête | Cummins |
| Dalphond-Guiral | de Savoye |
| Desjarlais | Desrochers |
| Dockrill | Doyle |
| Dubé (Lévis-et-Chutes-de-la-Chaudière) | Dubé (Madawaska—Restigouche) |
| Duceppe | Dumas |
| Duncan | Earle |
| Elley | Epp |
| Forseth | Gagnon |
| Gauthier | Gilmour |
| Godin (Acadie—Bathurst) | Godin (Châteauguay) |
| Goldring | Gouk |
| Grewal | Grey (Edmonton North) |
| Guimond | Hanger |
| Hardy | Harris |
| Hart | Harvey |
| Herron | Hill (Prince George—Peace River) |
| Hilstrom | Hoepfner |
| Jaffer | Johnston |
| Jones | Keddy (South Shore) |
| Kerpan | Konrad |
| Lalonde | Laurin |
| Lebel | Lill |
| Loubier | Lunn |
| MacKay (Pictou—Antigonish—Guysborough) | Mancini |
| Manning | Marceau |
| Marchand | Mark |
| Martin (Winnipeg Centre) | Matthews |
| Mayfield | McDonough |
| McNally | Mercier |
| Meredith | Mills (Red Deer) |
| Morrison | Muise |
| Nystrom | Obhrai |
| Pankiw | Penson |
| Perron | Picard (Drummond) |
| Plamondon | Price |
| Proctor | Ramsay |
| Reynolds | Riis |
| Ritz | Robinson |
| Rocheleau | Sauvageau |
| Schmidt | Scott (Skeena) |
| Solberg | Solomon |
| St-Hilaire | Stinson |
| St-Jacques | Stoffer |
| Strahl | Thompson (New Brunswick Southwest) |
| Thompson (Wild Rose) | Tremblay (Lac-Saint-Jean) |
| Tremblay (Rimouski—Mitis) | Turp |
| Vautour | Wayne |
| White (Langley—Abbotsford) | Williams —122 |

* * *

● (1750)

PERSONAL INFORMATION PROTECTION AND ELECTRONIC DOCUMENTS ACT

The House resumed from October 22 consideration of the motion that Bill C-54, an act to support and promote electronic commerce by protecting personal information that is collected, used or disclosed in certain circumstances, by providing for the use of electronic means to communicate or record information or transactions and by amending the Canada Evidence Act, the Statutory Instruments Act and the Statute Revision Act, be read the second time and referred to a committee; and of the amendment.

The Speaker: Pursuant to order made on Thursday, October 22, 1998, the House will now proceed to the taking of the deferred recorded division on the amendment to the motion at second reading stage of Bill C-54.

[Translation]

Mr. Bob Kilger: Mr. Speaker, I think you will find unanimous consent that those members who voted on the previous motion be recorded as having voted on the motion now before the House, with Liberal members voting nay.

[English]

The Speaker: Is there agreement to proceed in such a fashion?

Some hon. members: Agreed.

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

[Translation]

Mr. Stéphane Bergeron: Mr. Speaker, the members of the Bloc Québécois support this motion.

[English]

Mr. John Solomon: Mr. Speaker, NDP members vote yes to this motion.

Government Orders

[Translation]

Mr. André Harvey: Mr. Speaker, the members of our party vote no on this motion.

[English]

(The House divided on the amendment, which was negated on the following division:)

*(Division No. 250)***YEAS**

Members

| | |
|--------------------------------------|--|
| Alarie | Asselin |
| Axworthy (Saskatoon—Rosetown—Biggar) | Bachand (Saint-Jean) |
| Bellehumeur | Bergeron |
| Bigras | Blaikie |
| Brien | Cardin |
| Chrétien (Frontenac—Mégantic) | Crête |
| Dalphond-Guiral | de Savoye |
| Desjarlais | Desrochers |
| Dockrill | Dubé (Lévis-et-Chutes-de-la-Chaudière) |
| Duceppe | Dumas |
| Earle | Gagnon |
| Gauthier | Godin (Acadie—Bathurst) |
| Godin (Châteauguay) | Guimond |
| Hardy | Lalonde |
| Laurin | Lebel |
| Lill | Loubier |
| Mancini | Marceau |
| Marchand | Martin (Winnipeg Centre) |
| McDonough | Mercier |
| Nystrom | Perron |
| Picard (Drummond) | Plamondon |
| Proctor | Riis |
| Robinson | Rocheleau |
| Sauvageau | Solomon |
| St-Hilaire | Stoffer |
| Tremblay (Lac-Saint-Jean) | Tremblay (Rimouski—Mitis) |
| Turp | Vautour —54 |

NAYS

Members

| | |
|----------------------------------|-------------------------------|
| Abbott | Adams |
| Alcock | Anders |
| Anderson | Assad |
| Assadourian | Augustine |
| Axworthy (Winnipeg South Centre) | Bachand (Richmond—Arthabaska) |
| Bailey | Baker |
| Bakopanos | Barnes |
| Beaumier | Bélaire |
| Bélangier | Bellemare |
| Bennett | Benoit |
| Bernier (Tobique—Mactaquac) | Bertrand |
| Bevilacqua | Blondin-Andrew |
| Bonin | Bonwick |
| Borotsik | Bradshaw |
| Breitzkreuz (Yorkton—Melville) | Brison |
| Brown | Bryden |
| Bulte | Caccia |
| Cadman | Calder |
| Cannis | Caplan |
| Carroll | Casey |
| Casson | Catterall |
| Cauchon | Chamberlain |
| Chan | Charbonneau |
| Chatters | Clothier |
| Coderre | Cohen |
| Collenette | Comuzzi |
| Copps | Cullen |
| Cummins | De Villers |
| Dhaliwal | Dion |
| Discepola | Doyle |
| Dromisky | Drouin |

| | |
|--|----------------------------------|
| Dubé (Madawaska—Restigouche) | Duhamel |
| Duncan | Easter |
| Eggleton | Elley |
| Epp | Finlay |
| Folco | Fontana |
| Forsyth | Fry |
| Gagliano | Galloway |
| Gilmour | Godfrey |
| Goldring | Goodale |
| Gouk | Graham |
| Grewal | Grey (Edmonton North) |
| Grose | Guarnieri |
| Hanger | Harb |
| Harris | Hart |
| Harvard | Harvey |
| Herron | Hill (Prince George—Peace River) |
| Hilstrom | Hoepfner |
| Hubbard | Ianno |
| Iftody | Jackson |
| Jaffer | Jennings |
| Johnston | Jones |
| Jordan | Karetak-Lindell |
| Karygiannis | Keddy (South Shore) |
| Kerpan | Keyes |
| Kilger (Stormont—Dundas) | Knutson |
| Konrad | Kraft Sloan |
| Lastewka | Lavigne |
| Lee | Leung |
| Lincoln | Longfield |
| Lunn | MacAulay |
| MacKay (Pictou—Antigonish—Guysborough) | Mahoney |
| Malhi | Maloney |
| Manley | Manning |
| Marchi | Mark |
| Marleau | Martin (LaSalle—Émard) |
| Massé | Matthews |
| Mayfield | McCormick |
| McGuire | McLellan (Edmonton West) |
| McNally | McTeague |
| McWhinney | Meredith |
| Mifflin | Mills (Red Deer) |
| Minna | Mitchell |
| Morrison | Muise |
| Murray | Myers |
| Nault | Normand |
| Obhrai | O'Brien (Labrador) |
| O'Brien (London—Fanshawe) | O'Reilly |
| Pagtakhan | Pankiw |
| Paradis | Parrish |
| Patry | Penson |
| Peric | Peterson |
| Pettigrew | Phinney |
| Pillitteri | Pratt |
| Price | Proud |
| Provenzano | Ramsay |
| Redman | Reed |
| Reynolds | Richardson |
| Ritz | Robillard |
| Rock | Saada |
| Schmidt | Scott (Fredericton) |
| Scott (Skeena) | Sekora |
| Serré | Shepherd |
| Solberg | St. Denis |
| Steckle | Stewart (Brant) |
| Stewart (Northumberland) | Stinson |
| St-Jacques | St-Julien |
| Strahl | Szabo |
| Telegdi | Thibeault |
| Thompson (New Brunswick Southwest) | Thompson (Wild Rose) |
| Torsney | Ur |
| Valeri | Vanclief |
| Volpe | Wappel |
| Wayne | Whelan |
| White (Langley—Abbotsford) | Wilfert |
| Williams | Wood—212 |

PAIRED MEMBERS

| | |
|-----------------------------|------------------------------|
| Boudria | Canuel |
| Finestone | Fournier |
| Girard-Bujold | Gray (Windsor West) |
| Guay | Lefebvre |
| McKay (Scarborough East) | Ménard |
| Mills (Broadview—Greenwood) | Pickard (Chatham—Kent Essex) |

Government Orders

The Speaker: I declare the amendment defeated.

* * *

FOREIGN PUBLISHERS ADVERTISING SERVICES ACT

The House resumed from October 23 consideration of the motion that Bill C-55, an act respecting advertising services supplied by foreign periodical publishers, be read the second time and referred to a committee; and of the amendment.

The Speaker: The next deferred recorded division is on the amendment to the motion at second reading stage of Bill C-55.

Mr. Bob Kilger: Mr. Speaker, if the House would agree I would propose that you seek unanimous consent that members who voted on the previous motion be recorded as having voted on the motion now before the House with Liberal members voting nay.

The Speaker: Is there agreement to proceed in such a fashion?

Some hon. members: Agreed.

The Speaker: It will be noted, of course, that this question is on the amendment. The hon. opposition whip.

Mr. Chuck Strahl: Mr. Speaker, Reform Party members present vote yes to this motion. It is a good one.

[*Translation*]

Mr. Stéphane Bergeron: Mr. Speaker, the members of the Bloc Québécois oppose this motion.

[*English*]

Mr. John Solomon: Mr. Speaker, members of the NDP vote no to this motion.

[*Translation*]

Mr. André Harvey: Mr. Speaker, the members of our party vote no on this motion.

[*English*]

(The House divided on the amendment, which was negatived on the following division:)

(*Division No. 251*)

YEAS

Members

Abbott
Bailey
Breitkreuz (Yorkton—Melville)
Casson
Cummins
Elley

Anders
Benoit
Cadman
Chatters
Duncan
Epp

Forsyth
Goldring
Grewal
Hanger
Hart
Hilstrom
Jaffer
Kerpan
Lunn
Mark
McNally
Mills (Red Deer)
Obhrai
Penson
Reynolds
Schmidt
Solberg
Strahl
White (Langley—Abbotsford)

Gilmour
Gouk
Grey (Edmonton North)
Harris
Hill (Prince George—Peace River)
Hoepfner
Johnston
Konrad
Manning
Mayfield
Meredith
Morrison
Pankiw
Ramsay
Ritz
Scott (Skeena)
Stinson
Thompson (Wild Rose)
Williams—50

NAYS

Members

Adams
Alcock
Assad
Asselin
Axworthy (Saskatoon—Rosetown—Biggar)
Bachand (Richmond—Arthabaska)
Baker
Barnes
Bélair
Bellehumeur
Bennett
Bernier (Tobique—Mactaquac)
Bevilacqua
Blaikie
Bonin
Borotsik
Brien
Brown
Bulte
Calder
Caplan
Carroll
Catterall
Chamberlain
Charbonneau
Clouthier
Cohen
Comuzzi
Crête
Dalphond-Guiral
Desjarlais
DeVillers
Dion
Dockrill
Dromisky
Dubé (Lévis-et-Chutes-de-la-Chaudière)
Duceppe
Dumas
Easter
Finlay
Fontana
Gagliano
Galloway
Godfrey
Godin (Châteauguay)
Graham
Guarnieri
Harb
Harvard
Herron
Alarie
Anderson
Assadourian
Augustine
Axworthy (Winnipeg South Centre)
Bachand (Saint-Jean)
Bakopanos
Beaumier
Bélanger
Bellemare
Bergeron
Bertrand
Bigras
Blondin-Andrew
Bonwick
Bradshaw
Brison
Bryden
Caccia
Cannis
Cardin
Casey
Cauchon
Chan
Chrétien (Frontenac—Mégantic)
Coderre
Collenette
Coppes
Cullen
de Savoye
Desrochers
Dhaliwal
Discepola
Doyle
Drouin
Dubé (Madawaska—Restigouche)
Duhamel
Earle
Eggleton
Folco
Fry
Gagnon
Gauthier
Godin (Acadie—Bathurst)
Goodale
Grose
Guimond
Hardy
Harvey
Hubbard

*Government Orders***ROYAL CANADIAN MINT ACT**

The House resumed from October 23 consideration of the motion that Bill C-41, an act to amend the Royal Canadian Mint Act and the Currency Act, be read the second time and referred to a committee.

The Speaker: The next deferred recorded division is on the motion at the second reading stage of Bill C-41.

• (1755)

[*Translation*]

Mr. Bob Kilger: Mr. Speaker, I think you will find unanimous consent that those members who voted on the previous motion be recorded as having voted on the motion now before the House, with Liberal members voting yea.

[*English*]

The Speaker: Is there agreement to proceed in such a fashion?

Some hon. members: Agreed.

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

[*Translation*]

Mr. Stéphane Bergeron: Mr. Speaker, the members of the Bloc Québécois vote yea on this motion.

[*English*]

Mr. John Solomon: Mr. Speaker, NDP members present tonight vote no to this motion.

[*Translation*]

Mr. André Harvey: Mr. Speaker, the members of the Progressive Conservative Party vote nay on this motion.

[*English*]

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

(*Division No. 252*)

YEAS

Members

| | |
|----------------------------------|----------------------|
| Adams | Alarie |
| Alcock | Anderson |
| Assad | Assadourian |
| Asselin | Augustine |
| Axworthy (Winnipeg South Centre) | Bachand (Saint-Jean) |
| Baker | Bakopanos |
| Barnes | Beaumier |
| Bélair | Bélangier |
| Bellehumeur | Bellemare |
| Bennett | Bergeron |
| Bertrand | Bevilacqua |
| Bigras | Blondin-Andrew |
| Bonin | Bonwick |
| Bradshaw | Brien |
| Brown | Bryden |
| Bulte | Caccia |
| Calder | Cannis |
| Caplan | Cardin |

| | |
|---------------------------|--|
| Ianno | Ifitody |
| Jackson | Jennings |
| Jones | Jordan |
| Karetak-Lindell | Karygiannis |
| Keddy (South Shore) | Keyes |
| Kilger (Stormont—Dundas) | Knutson |
| Kraft Sloan | Lalonde |
| Lastewka | Laurin |
| Lavigne | Lebel |
| Lee | Leung |
| Lill | Lincoln |
| Longfield | Loubier |
| MacAulay | MacKay (Pictou—Antigonish—Guysborough) |
| Mahoney | Malhi |
| Maloney | Mancini |
| Manley | Marceau |
| Marchand | Marchi |
| Marleau | Martin (LaSalle—Émard) |
| Martin (Winnipeg Centre) | Massé |
| Matthews | McCormick |
| McDonough | McGuire |
| McLellan (Edmonton West) | McTeague |
| McWhinney | Mercier |
| Mifflin | Minna |
| Mitchell | Muise |
| Murray | Myers |
| Nault | Normand |
| Nystrom | O'Brien (Labrador) |
| O'Brien (London—Fanshawe) | O'Reilly |
| Pagtakhan | Paradis |
| Parrish | Patry |
| Peric | Perron |
| Peterson | Pettigrew |
| Phinney | Picard (Drummond) |
| Pillitteri | Plamondon |
| Pratt | Price |
| Proctor | Proud |
| Provenzano | Redman |
| Reed | Richardson |
| Riis | Robillard |
| Robinson | Rocheleau |
| Rock | Saada |
| Sauvageau | Scott (Fredericton) |
| Sekora | Serré |
| Shepherd | Solomon |
| St. Denis | Steckle |
| Stewart (Brant) | Stewart (Northumberland) |
| St-Hilaire | St-Jacques |
| St-Julien | Stoffer |
| Szabo | Telegdi |
| Thibeault | Thompson (New Brunswick Southwest) |
| Torsney | Tremblay (Lac-Saint-Jean) |
| Tremblay (Rimouski—Mitis) | Turp |
| Ur | Valeri |
| Vanclief | Vautour |
| Volpe | Wappel |
| Wayne | Whelan |
| Wilfert | Wood—216 |

PAIRED MEMBERS

| | |
|-----------------------------|------------------------------|
| Boudria | Canuel |
| Finestone | Fournier |
| Girard-Bujold | Gray (Windsor West) |
| Guay | Lefebvre |
| McKay (Scarborough East) | Ménard |
| Mills (Broadview—Greenwood) | Pickard (Chatham—Kent Essex) |

The Speaker: I declare the amendment defeated.

Supply

| | | | |
|--|---------------------------|--|----------------------------------|
| Carroll | Catterall | Brison | Cadman |
| Cauchon | Chamberlain | Casey | Casson |
| Chan | Charbonneau | Chatters | Cummins |
| Chrétien (Frontenac—Mégantic) | Clouthier | Desjarlais | Dockrill |
| Coderre | Cohen | Doyle | Dubé (Madawaska—Restigouche) |
| Collenette | Comuzzi | Duncan | Earle |
| Copps | Crête | Elley | Epp |
| Cullen | Dalphond-Guiral | Forseth | Gilmour |
| de Savoye | Desrochers | Godin (Acadie—Bathurst) | Goldring |
| DeVillers | Dhaliwal | Gouk | Grewal |
| Dion | Discepolo | Grey (Edmonton North) | Hanger |
| Dromisky | Drouin | Hardy | Harris |
| Dubé (Lévis-et-Chutes-de-la-Chaudière) | Duceppe | Hart | Harvey |
| Duhamel | Dumas | Herron | Hill (Prince George—Peace River) |
| Easter | Eggleton | Hilstrom | Hoepfner |
| Finlay | Folco | Jaffer | Johnston |
| Fontana | Fry | Jones | Keddy (South Shore) |
| Gagliano | Gagnon | Kerpan | Konrad |
| Galloway | Gauthier | Lill | Lunn |
| Godfrey | Godin (Châteauguay) | MacKay (Pictou—Antigonish—Guysborough) | Mancini |
| Goodale | Graham | Manning | Mark |
| Grose | Guarnieri | Martin (Winnipeg Centre) | Matthews |
| Guimond | Harb | Mayfield | McDonough |
| Harvard | Hubbard | McNally | Meredith |
| Ianno | Iftody | Mills (Red Deer) | Morrison |
| Jackson | Jennings | Muise | Nystrom |
| Jordan | Karetak-Lindell | Obhrai | Pankiw |
| Karygiannis | Keyes | Penson | Price |
| Kilger (Stormont—Dundas) | Knutson | Proctor | Ramsay |
| Kraft Sloan | Lalonde | Reynolds | Riis |
| Lastewka | Laurin | Ritz | Robinson |
| Lavigne | Lebel | Schmidt | Scott (Skeena) |
| Lee | Leung | Solberg | Solomon |
| Lincoln | Longfield | Stinson | St-Jacques |
| Loubier | MacAulay | Stoffer | Strahl |
| Mahoney | Malhi | Thompson (New Brunswick Southwest) | Thompson (Wild Rose) |
| Maloney | Manley | Vautour | Wayne |
| Marceau | Marchand | White (Langley—Abbotsford) | Williams—86 |
| Marchi | Marleau | | |
| Martin (LaSalle—Émard) | Massé | | |
| McCormick | McGuire | | |
| McLellan (Edmonton West) | McTeague | | |
| McWhinney | Mercier | | |
| Mifflin | Minna | | |
| Mitchell | Murray | | |
| Myers | Nault | | |
| Normand | O'Brien (Labrador) | | |
| O'Brien (London—Fanshawe) | O'Reilly | | |
| Pagtakhan | Paradis | | |
| Parrish | Patry | | |
| Peric | Perron | | |
| Peterson | Pettigrew | | |
| Phinney | Picard (Drummond) | | |
| Pillitteri | Plamondon | | |
| Pratt | Proud | | |
| Provenzano | Redman | | |
| Reed | Richardson | | |
| Robillard | Rocheleau | | |
| Rock | Saada | | |
| Sauvageau | Scott (Fredericton) | | |
| Sekora | Serré | | |
| Shepherd | St. Denis | | |
| Steckle | Stewart (Brant) | | |
| Stewart (Northumberland) | St-Hilaire | | |
| St-Julien | Szabo | | |
| Telegdi | Thibeault | | |
| Torsney | Tremblay (Lac-Saint-Jean) | | |
| Tremblay (Rimouski—Mitis) | Turp | | |
| Ur | Valeri | | |
| Vanclief | Volpe | | |
| Wappel | Whelan | | |
| Wilfert | Wood—180 | | |

PAIRED MEMBERS

| | |
|-----------------------------|------------------------------|
| Boudria | Canuel |
| Finestone | Fournier |
| Girard-Bujold | Gray (Windsor West) |
| Guay | Lefebvre |
| McKay (Scarborough East) | Ménard |
| Mills (Broadview—Greenwood) | Pickard (Chatham—Kent Essex) |

The Speaker: I declare the motion carried.

(Bill read the second time and referred to a committee)

* * *

[Translation]

SUPPLY

NAYS

Members

| | |
|--------------------------------------|-------------------------------|
| Abbott | Anders |
| Axworthy (Saskatoon—Rosetown—Biggar) | Bachand (Richmond—Arthabaska) |
| Bailey | Benoit |
| Bernier (Tobique—Mactaquac) | Blaikie |
| Borotsik | Breitkreuz (Yorkton—Melville) |

ALLOTTED DAY—EMPLOYMENT INSURANCE

The House resumed, from October 26, consideration of the motion; and of the amendment.

The Speaker: Pursuant to the order made on Thursday, March 12, 1998, the House will now proceed to the taking of the deferred recorded division on the motion and the amendment relating to the business of supply.

The question is on the amendment.

• (1805)

[*English*]

(The House divided on the amendment, which was negated on the following division:)

(*Division No. 253*)

YEAS

Members

| | |
|--------------------------------------|--|
| Alarie | Asselin |
| Axworthy (Saskatoon—Rosetown—Biggar) | Bachand (Richmond—Arthabaska) |
| Bachand (Saint-Jean) | Bellehumeur |
| Bergeron | Bernier (Tobique—Mactaquac) |
| Bigras | Blaikie |
| Borotsik | Brien |
| Brisson | Cardin |
| Casey | Chrétien (Frontenac—Mégantic) |
| Crête | Dalphond-Guiral |
| de Savoye | Desjarlais |
| Desrochers | Dockrill |
| Doyle | Dubé (Lévis-et-Chutes-de-la-Chaudière) |
| Dubé (Madawaska—Restigouche) | Duceppe |
| Dumas | Earle |
| Gagnon | Gauthier |
| Godin (Acadie—Bathurst) | Godin (Châteauguay) |
| Guimond | Hardy |
| Harvey | Herron |
| Jones | Keddy (South Shore) |
| Lalonde | Laurin |
| Lebel | Lill |
| Loubier | MacKay (Pictou—Antigonish—Guysborough) |
| Mancini | Marceau |
| Marchand | Martin (Winnipeg Centre) |
| Matthews | McDonough |
| Mercier | Muise |
| Nystrom | Perron |
| Picard (Drummond) | Plamondon |
| Price | Proctor |
| Riis | Robinson |
| Rocheleau | Sauvageau |
| Solomon | St-Hilaire |
| St-Jacques | Stoffer |
| Thompson (New Brunswick Southwest) | Tremblay (Lac-Saint-Jean) |
| Tremblay (Rimouski—Mitis) | Turp |
| Vautour | Wayne—72 |

NAYS

Members

| | |
|----------------------------------|-------------------------------|
| Abbott | Adams |
| Alcock | Anders |
| Anderson | Assad |
| Assadourian | Augustine |
| Axworthy (Winnipeg South Centre) | Bailey |
| Baker | Bakopanos |
| Barnes | Beaumier |
| Bélaïr | Bélangier |
| Bellemare | Bennett |
| Benoit | Bertrand |
| Bevilacqua | Blondin-Andrew |
| Bonin | Bonwick |
| Bradshaw | Breitkreuz (Yorkton—Melville) |
| Brown | Bryden |

Supply

| | |
|----------------------------------|-----------------------------|
| Bulte | Caccia |
| Cadman | Calder |
| Canniss | Caplan |
| Carroll | Casson |
| Catterall | Cauchon |
| Chamberlain | Chan |
| Charbonneau | Chatters |
| Clouthier | Coderre |
| Cohen | Collenette |
| Comuzzi | Copps |
| Cullen | Cummins |
| DeVillers | Dhaliwal |
| Dion | Discepola |
| Dromisky | Drouin |
| Duhamel | Duncan |
| Easter | Eggleton |
| Elley | Epp |
| Finlay | Folco |
| Fontana | Forseth |
| Fry | Gagliano |
| Galloway | Gilmour |
| Godfrey | Goldring |
| Goodale | Gouk |
| Graham | Grewal |
| Grey (Edmonton North) | Grose |
| Guarnieri | Hanger |
| Harb | Harris |
| Hart | Harvard |
| Hill (Prince George—Peace River) | Hilstrom |
| Hoepfner | Hubbard |
| Ianno | Iftody |
| Jackson | Jaffer |
| Jennings | Johnston |
| Jordan | Karetak-Lindell |
| Karygiannis | Kerpan |
| Keyes | Kilger (Stormont—Dundas) |
| Kilgour (Edmonton Southeast) | Knudson |
| Konrad | Kraft Sloan |
| Lastewka | Lavigne |
| Lee | Leung |
| Lincoln | Longfield |
| Lunn | MacAulay |
| Mahoney | Malhi |
| Maloney | Manley |
| Manning | Marchi |
| Mark | Marleau |
| Martin (LaSalle—Émard) | Massé |
| Mayfield | McCormick |
| McGuire | McLellan (Edmonton West) |
| McNally | McTeague |
| McWhinney | Meredith |
| Mifflin | Mills (Broadview—Greenwood) |
| Mills (Red Deer) | Minna |
| Mitchell | Morrison |
| Murray | Myers |
| Nault | Normand |
| Obhrai | O'Brien (Labrador) |
| O'Brien (London—Fanshawe) | O'Reilly |
| Pagtakhan | Pankiw |
| Paradis | Parrish |
| Patry | Penson |
| Peric | Peterson |
| Pettigrew | Phinney |
| Pillitteri | Pratt |
| Proud | Provenzano |
| Ramsay | Redman |
| Reed | Reynolds |
| Richardson | Ritz |
| Robillard | Rock |
| Saada | Schmidt |
| Scott (Fredericton) | Scott (Skeena) |
| Sekora | Serré |
| Shepherd | Solberg |
| St. Denis | Steckle |
| Stewart (Brant) | Stewart (Northumberland) |
| Stinson | Strahl |
| Szabo | Telegdi |
| Thibeault | Thompson (Wild Rose) |
| Torsney | Ur |
| Valeri | Vanclief |

Supply

Volpe
Whelan
Wilfert
Wood—195

Wappel
White (Langley—Abbotsford)
Williams

PAIRED MEMBERS

| | |
|-----------------------------|------------------------------|
| Boudria | Canuel |
| Finestone | Fournier |
| Girard-Bujold | Gray (Windsor West) |
| Guay | Lefebvre |
| McKay (Scarborough East) | Ménard |
| Mills (Broadview—Greenwood) | Pickard (Chatham—Kent Essex) |

The Speaker: I declare the amendment negatived. The next question is on the main motion.

Mr. Bob Kilger: Mr. Speaker, I believe you would find consent to apply the results of the vote just taken to the main motion.

The Speaker: Is there agreement to proceed in such a fashion?

An hon. member: No.

• (1815)

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

(Division No. 254)

YEAS

Members

| | |
|--------------------------------------|--|
| Alarie | Asselin |
| Axworthy (Saskatoon—Rosetown—Biggar) | Bachand (Richmond—Arthabaska) |
| Bachand (Saint-Jean) | Bellehumeur |
| Bergeron | Bernier (Tobique—Mactaquac) |
| Bigras | Blaikie |
| Borotsik | Brien |
| Brisson | Cardin |
| Casey | Chrétien (Frontenac—Mégantic) |
| Crête | Dalphon-D-Guiral |
| de Savoye | Desjarlais |
| Desrochers | Dockrill |
| Doyle | Dubé (Lévis-et-Chutes-de-la-Chaudière) |
| Dubé (Madawaska—Restigouche) | Duceppe |
| Dumas | Earle |
| Gagnon | Gauthier |
| Godin (Acadie—Bathurst) | Godin (Châteauguay) |
| Guimond | Hardy |
| Harvey | Herron |
| Jones | Keddy (South Shore) |
| Lalonde | Laurin |
| Lebel | Lill |
| Loubier | MacKay (Pictou—Antigonish—Guysborough) |
| Mancini | Marceau |
| Marchand | Martin (Winnipeg Centre) |
| Matthews | McDonough |
| Mercier | Muise |
| Nystrom | Perron |
| Picard (Drummond) | Plamondon |
| Price | Proctor |
| Riis | Robinson |
| Rocheleau | Sauvageau |
| Solomon | St-Hilaire |
| St-Jacques | Stoffer |
| Thompson (New Brunswick Southwest) | Tremblay (Lac-Saint-Jean) |
| Tremblay (Rimouski—Mitis) | Turp |
| Vautour | Wayne—72 |

NAYS

Members

| | |
|----------------------------------|-------------------------------|
| Abbott | Adams |
| Alcock | Anders |
| Anderson | Assad |
| Assadourian | Augustine |
| Axworthy (Winnipeg South Centre) | Bailey |
| Baker | Bakopanos |
| Barnes | Beaumier |
| Bélair | Bélanger |
| Bellemare | Bennett |
| Benoit | Bertrand |
| Bevilacqua | Blondin-Andrew |
| Bonin | Bonwick |
| Bradshaw | Breitkreuz (Yorkton—Melville) |
| Brown | Bryden |
| Bulte | Caccia |
| Cadman | Calder |
| Cannis | Caplan |
| Carroll | Casson |
| Catterall | Cauchon |
| Chamberlain | Chan |
| Charbonneau | Chatters |
| Clouthier | Coderre |
| Cohen | Collenette |
| Comuzzi | Copps |
| Cullen | Cummins |
| DeVillers | Dhaliwal |
| Dion | Discepolo |
| Dromisky | Drouin |
| Duhamel | Duncan |
| Easter | Eggleton |
| Elley | Epp |
| Finlay | Folco |
| Fontana | Forseth |
| Fry | Gagliano |
| Galloway | Gilmour |
| Godfrey | Goldring |
| Goodale | Gouk |
| Graham | Grewal |
| Grey (Edmonton North) | Grose |
| Guarnieri | Hanger |
| Harb | Harris |
| Hart | Harvard |
| Hill (Prince George—Peace River) | Hilstrom |
| Hoepfner | Hubbard |
| Ianno | Iftody |
| Jackson | Jaffer |
| Jennings | Johnston |
| Jordan | Karetak-Lindell |
| Karygiannis | Kerpan |
| Keyes | Kilger (Stormont—Dundas) |
| Knutson | Konrad |
| Kraft Sloan | Lastewka |
| Lavigne | Lee |
| Leung | Lincoln |
| Longfield | Lunn |
| MacAulay | Mahoney |
| Malhi | Maloney |
| Manley | Manning |
| Marchi | Mark |
| Marleau | Martin (LaSalle—Énard) |
| Massé | Mayfield |
| McCormick | McGuire |
| McLellan (Edmonton West) | McNally |
| McTeague | McWhinney |
| Meredith | Mifflin |
| Mills (Red Deer) | Minna |
| Mitchell | Morrison |
| Murray | Myers |
| Nault | Normand |
| Obhrai | O'Brien (Labrador) |
| O'Brien (London—Fanshawe) | O'Reilly |
| Pagtakhan | Pankiw |
| Paradis | Parrish |
| Patry | Penson |
| Peric | Peterson |
| Pettigrew | Phinney |
| Pillitteri | Pratt |
| Proud | Provenzano |
| Ramsay | Redman |
| Reed | Reynolds |

Richardson
Robillard
Saada
Scott (Fredericton)
Sekora
Shepherd
St. Denis
Stewart (Brant)
Stinson
Strahl
Telegdi
Thompson (Wild Rose)
Ur
Vanclief
Wappel
White (Langley—Abbotsford)
Wood—193

Ritz
Rock
Schmidt
Scott (Skeena)
Serré
Solberg
Steckle
Stewart (Northumberland)
St-Julien
Szabo
Thibeault
Torsney
Valeri
Volpe
Whelan
Wilfert

PAIRED MEMBERS

Boudria
Finestone
Girard-Bujold
Guay
McKay (Scarborough East)
Mills (Broadview—Greenwood)

Canuel
Fournier
Gray (Windsor West)
Lefebvre
Ménard
Pickard (Chatham—Kent Essex)

The Speaker: I declare the motion negatived.

I want to congratulate one of our members, Michelle Dockrill, who not only had a baby but brought her son Kenzie to the House so we could meet him.

Some hon. members: Hear, hear.

PRIVATE MEMBERS' BUSINESS

[English]

MERIT PRINCIPLE

Mr. Dale Johnston (Wetaskiwin, Ref.) moved:

That, in the opinion of this House, the government should support the right of all job applicants to be evaluated solely on the basis of merit.

He said: Madam Speaker, the motion before us today calls on the government to support the right of all job applicants to be evaluated solely on the basis of merit.

● (1820)

The subject matter of Motion No. 7 was debated in the House on May 2, 1996. It was not selected as a votable item at that time and it is unfortunate that Liberals on the committee decided not to give members an opportunity to vote for fairness in this parliament either.

This motion goes right to the heart of equality. It asks that all job applicants be evaluated solely on the basis of merit, which means how well they can do the job, how qualified they are to do the job.

Private Members' Business

I harken back to a headline from a recent news release from the office of the Minister of Labour which stated the minister supports equal opportunity at employment equity council meeting. Great, I thought. This minister sees the need to treat people equally. According to the news release the main goal of this council is to work with all levels of government in removing barriers to employment of members of visible minorities.

I believe that is a goal to which we can all subscribe. Members of the Reform Party want to ensure that visible minorities have an equal opportunity to compete for jobs. What we object to are the quotas and segregation of visible minorities. Canadians who wish to pursue a particular career path should not be face barriers of discrimination and those with the ability and discipline deserve the rewards of their hard work.

If the Minister of Labour is truly concerned about equality he will introduce legislation in this House to repeal the 1996 Employment Equity Act. While the legislation does not specify quotas it establishes a mechanism whereby the inspectors, auditors and those administering the law can force companies to comply with numerical goals that are nothing more than quotas in disguise.

We know all too well that this government is always looking for ways to intrude into the activities of the provinces and the private sector. The Employment Equity Act enables the government to cast its net even farther, not only in those industries are under federal jurisdiction but in private, public and crown corporations. They are forced to comply but now the quota law extends to provincially regulated private sector businesses with more than 100 employees who undertake contract work for the Government of Canada valued at \$200,000 or more.

To qualify for federal government contracts employers must sign a commitment to undertake the following four measures. First, they must conduct a workplace survey to determine its composition by race, sex and disability for each type of work in the organization. Second, they must also compare the results of the workplace survey with national and local averages based on the most recent census data. Third, if there is a significant discrepancy between the workplace representation and national or local averages in any of the 12 designated categories, they must determine why this discrepancy exists and develop measures to correct them. Fourth, they must establish goals and timetables for increasing the representation of the designated categories in the workplace.

This is just the sort of thing that business and industry do not need. They simply do not need more red tape, more government intervention and more expense added to the product they ultimately deliver in the workplace.

Starting last November auditors representing the Canadian Human Rights Commission began conducting proactive audits to determine compliance in those areas.

Private Members' Business

When we examine the complex set of goals demanded by the government we can see how easily the cost of compliance can escalate. Under the guise of fairness and equality this government increased its bureaucracy and added to the regulatory burden of the private sector.

• (1825)

How can we expect these companies to compete in today's fierce global marketplace when they are mired in red tape and paperwork? If businesses are forced to comply with this sort of thing it naturally adds to the cost of their product which consumers will pay for in higher product prices, whether it is the Government of Canada or whomever.

At a human resources development committee meeting last year the member for Mississauga East said that the additional costs to individual employers in her riding for outside consultants and accountants amounted to approximately \$1,000 per employee. Instead of hiring workers to increase productivity, these companies are forced to hire consultants and accountants to fill out their government forms. This demonstrates how misguided enforced equity really is.

For some reason the government subscribes to the misguided theory that it can solve the problem by regulating. As a result, it ends up with a lot of regulations and no solutions. The firearms registry is a prime example of that. Instead of dealing with the misuse and criminal use of firearms by dealing with criminals, it set up an expensive registry to tax law abiding gun owners. Instead of helping visible minorities compete in the job market it has imposed a set of complex staffing rules and quotas on employers.

The reality is that equity programs do not remove sexual, racial or other biases from the workplace. They institutionalize it. Employers should be free to hire the best person for the job regardless of their race, sex or disability. Employees want to compete fairly and be recognized for their expertise.

Hiring quotas place unnecessary obstacles in the career path of Canadian workers. They tie employer's hands and are another contributing factor in the migration of skilled workers to the United States.

Much has been said and written about the brain drain that we are suffering at the moment. At a time when the flow of skilled workers to the United States is a national concern, the government should remove the equity quota of all employers to hire and promote the best qualified people for the job.

The role of government is not to set the terms and conditions under which private companies hire employees. A diverse workforce is a plus for any business. The market will dictate the diversity of the staff. Employers will do it on their own because they cannot afford to ignore valuable resources. The last thing they need is hassle and government red tape.

The Ontario policy director of the Canadian Federation of Business said it is better not to have a regulatory scheme because these things tend to discourage job creation. It is exactly the opposite of what the government has intended it to do.

If the government is really serious about helping visible minorities it should work with employers to create an environment that encourages diversity and raises awareness about the special needs of the disabled and minorities.

Canada has skilled and competent workers. Let us remove the shackles of excessive government regulation and give them an opportunity to compete on a level playing field. I think it is time that common sense prevailed in this area.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Madam Speaker, I read the motion by the member for Wetaskiwin, which reads as follows:

That, in the opinion of this House, the government should support the right of all job applicants to be evaluated solely on the basis of merit.

That is asking a lot from a government that, as late as yesterday—as I am the public works critic on contracts awarded or the section of the department that oversees a lot of big companies—sent my office a list of recent appointments.

• (1830)

For instance, Vivian G. Albot of Winnipeg, Manitoba, was appointed to the position of office manager for the board of directors of Canada Post. Ms. Albot was a contributor to the Liberal Party of Canada's campaign fund, I even have the amount here.

I have other examples, including the appointment of Gérald Préfontaine of Ottawa, Ontario, as a member of the board of Canada Post. Janis Cochrane was appointed a director of the Canada Mortgage and Housing Corporation.

What these people have in common is the fact that they contributed to a political party, specifically, the one handing out the jobs.

Another example is Cecil Mervin Ozirny of Melville, Saskatchewan, who contributed to the Liberals' election fund and who was given a position with the National Energy Board.

Is the prime requisite for such appointments the fact of having contributed something to the Liberal Party election fund or do these people really have skills not easily found or at least the same level as those of individuals who might apply or contribute to the management of the organizations I have just named?

Allow me to express my doubts, because I have a newspaper article here.

Private Members' Business

I remember the 1993 election campaign that brought the Liberals and the current Prime Minister to power, on October 25, 1993, to be precise. This election also produced the official opposition of which I was a member, with its then leader, Lucien Bouchard, who has since moved on to another stage. He has proved to the Prime Minister that he is a good manager and that he can practice in Quebec what he was preaching here, as he has brilliantly demonstrated. What he used to preach here, he put in practice in Quebec.

In their red book, the Liberals vilified the former Prime Minister of Canada, Mr. Mulroney, who, just before he left and handed power over to the newly elected leader of the Progressive Conservative Party, appointed 500 people to positions all over Canada. For instance, he appointed the manager of Montreal's Ritz-Carlton Hotel to the Senate, along with his wife's hairdresser, and he was roundly criticized by the Liberals.

In the red book, the Liberals were very critical of this kind of appointment. But who was recently appointed to the Canada Post Corporation? Pierrette Ringuette-Maltais, who used to sit in this place, who unfortunately—for her, of course—was defeated in the Edmunston region in New Brunswick. There have been others. There was Ross Fitzpatrick, a gentleman who had the bright idea of helping the Prime Minister to a capital gain of \$45,000 by giving him shares in his company, which the Prime Minister sold at a profit of \$45,000. He was another Liberal appointment.

Just to name a few members I have known in the House, André Ouellet was appointed to the Canada Post Corporation, David Berger was made Canada's ambassador to Israel, Ron Irwin was appointed to an important post, Canada's ambassador to Ireland, I believe.

• (1835)

They are thanking the friends of the Liberal Party. When the current Prime Minister returned to political life, he needed a safe riding. He had to win a seat somewhere to be able to sit in this House as the Leader of the Opposition.

A member by the name of Robichaud, a nice fellow from Beauséjour, in the maritimes, was kind enough to give up his seat so that the Prime Minister could get elected in a safe riding. It worked. Mr. Robichaud had to wait a few months for a national general election to be called and for Mr. Chrétien to win back his traditional riding, Shawinigan, and give him back his seat as the member for Beauséjour, which had become vacant.

Mr. Robichaud was elected in Beauséjour. He sat with us here during the 35th Parliament. Then came a young Liberal star and the Liberals said "The son of the governor general, now that is somebody". They told him he would run in Beauséjour and asked Mr. Robichaud to step aside and let Mr. LeBlanc, the governor general's son, run for the Liberal Party in Beauséjour.

Unfortunately, it does not always work and, this time, it did not, but Mr. Robichaud was not blamed for the Liberal loss in Beauséjour. Mr. Robichaud, for whom a seat had been set aside in the Senate, soon replaced a good friend of the party who had been appointed to the Senate barely 14 months short of the compulsory retirement age in the Senate. He was obviously appointed to keep the seat warm until Mr. Robichaud was ready to make the move.

Sad to say, the good turns Mr. Robichaud did the Prime Minister were not done out of generosity. He did them because he knew that the payoff would be substantial.

It is no big deal if, in order to get some job, one must be a member of the Liberal Party and give \$200, \$250, \$300 or \$400. Many people in my riding would be quite willing to pay \$400 to get a job in the Senate or with the Canada Post Corporation, or to sit on the board of directors of the Canada Mortgage and Housing Corporation.

I can think, among others, of my friend Michel St-Laurent, a carpenter who does all sorts of jobs for me and someone whom I really admire. I am convinced that he too would give \$200, \$300, \$400 or \$500 for such an appointment, but he never had that chance. He was never informed of any vacancies. They do not want him because he is not a Liberal, and being a Liberal is the first condition, the prerequisite for such an appointment.

When the Reform Party member, for whom I have a lot of respect, tables his bill on what he calls quotas, but what I would rather call employment allocation equity, we should also discuss the type of jobs given to friends of the party, who get huge salaries or fees—whatever you want to call it—and who often do no work at all, killing time at taxpayers' expense while, in some cases, pocketing millions of dollars.

Consider the case of the friend of the government who was appointed ambassador to the OECD. This gentleman is paid \$255,000 per year and he is barely 52 or 53 years old. If he retires at age 75, he will have had an annual salary of \$255,000 for 23 years. This amounts to quite a bit of money. It pays to be a Liberal.

[English]

Mr. Tony Ianno (Parliamentary Secretary to President of the Treasury Board, Lib.): Madam Speaker, I welcome the chance to add my voice to this discussion and to demonstrate to the House that the motion is unnecessary and unwarranted. After having heard the comments across the aisle I can see why this issue is as I stated.

Canada's employment equity legislation supports hiring based on merit. Employment equity aims to reinforce the merit principle by ensuring that members of groups that were underrepresented in the past and continue to be underrepresented now have an opportunity to compete on a level playing field. Its objectives are to open

Private Members' Business

up the workplace and to ensure that employment policies and practices are free of any subtle biases.

• (1840)

However a myth has been created that employment equity contradicts the merit principle. Yet one only has to read sections 6 and 33(1) of the Employment Equity Act to see that this is not the case. These sections make it very clear that no employer can be required under any circumstance to hire or promote unqualified individuals.

Let me remind my hon. colleagues exactly what the Employment Equity Act actually does. The act requires the implementation of employment equity in the public service as well as in the wider public sector and federally regulated private sector. The act seeks to remove barriers that restrict the employment of qualified individuals in four employment equity designated groups: women, aboriginal people, members of visible minorities and persons with disabilities. Hon. members cannot deny that a fair and barrier free workplace means a better working environment for all employees.

The act gives substance to the guarantees of equality under section 15 of the Canadian Charter of Rights and Freedoms enshrined in the Constitution of Canada. It calls for broadening the recruitment pool so deserving Canadians from all groups receive due consideration for employment. Utilizing the full potential of our diverse workforce is essential to Canada's future success and prosperity.

In the case of the public service these sections also make it clear that there is no conflict with the Public Service Employment Act which governs selection according to merit. The law also clearly stipulates that employment equity will not cause undue hardship for an employer. It does not force firms to hire and promote unqualified people or to create new positions in the workforce to satisfy some arbitrary numerical goals.

I assure the member for Wetaskiwin that the government is fully committed to merit. We vigorously support and promote excellence in the workplace. We are also committed to improving conditions for members of the four designated groups who have faced disadvantage in the labour market. This is not a myth.

There is ample evidence to indicate that certain groups have been and continue to be disadvantaged in employment for reasons that have nothing to do with their ability to do the job. They have faced unfair barriers to employment because of personal characteristics totally unrelated to merit. One of the core values of Canadian society is a profound belief in the equality of our citizens.

Canadians are proud of Canada's linguistic and multicultural diversity. We actively promote tolerance and acceptance of differ-

ences. We have a global reputation as a caring and equitable society. The spirit of employment equity further enriches that reputation. A number of countries are using our Employment Equity Act as a template for their legislation. They include Australia, Holland and most recently South Africa.

Striving for fairness and equality for all citizens not only enriches our national character but generates significant economic advantages. A highly qualified, highly motivated workforce that reflects the richness of our diversity is essential if Canada is to remain competitive in the expanding global marketplace.

Employers and labour organizations recognize the benefits of employment equity. This was evident in their support of a more comprehensive Employment Equity Act when it was considered in 1995. They recognize that as unfair barriers to employment are eliminated the pool of qualified applicants is expanded. This leads to the full utilization of the skills, talents and abilities of all Canadians.

• (1845)

Clearly we already support hiring and promotion based on merit which is why I am convinced that we need not entertain this motion any longer. Instead, I encourage the member for Wetaskiwin to support the millions of Canadians who benefit from employment equity. By doing so, we can all contribute to a better future and a better Canada for all of us.

Mr. Mark Muike (West Nova, PC): Madam Speaker, the member for Wetaskiwin moved that in the opinion of this House the government should support the rights of all job applicants to be evaluated solely on the basis of merit.

If we lived in a perfect world, there would most likely be unanimous support for the motion but unfortunately we do not. If all persons regardless of their sex, ethnic origins or disabilities were treated equally, there would not be a need for employment equity programs. But unfortunately we do not live in a perfect world.

The realities faced by women, visible minorities, natives and the disabled are not the same as those faced by able-bodied white males. I speak from firsthand experience as I have a daughter who was born with cerebral palsy. I know firsthand the reactions some people have toward those of us in society who might not be or seem not to be as able-bodied as others. The discrimination these people face is real. It still occurs today. It is not a thing of the past.

Look at the current response of the Liberal government with regard to the issue of pay equity for women in the federal civil service. Even though the human rights commission has ordered the

Liberal government to pay the salaries it owes to these women, the government has refused to do so.

When people say that employment equity is to solve problems of the past, they are wrong. Discrimination is still very much a reality in the workplace and in the hiring process.

The Reform Party says that employment equity is itself a form of discrimination, that it prevents able-bodied white males from getting jobs, that there are barriers. When the Reform Party says this, it is turning the issue of employment equity on its head. Employment equity does not prevent white males from getting jobs. What it does is it creates a level playing field so that everyone who applies for a job is considered equally and on the basis of merit.

The Employment Equity Act instituted by the Conservative government in 1986 is designed to ensure that women, natives, the handicapped and members of visible minorities are evaluated on the basis of merit when they apply for a job in federally regulated institutions or in crown corporations. In other words, the act is designed to eliminate the discriminatory barriers to employment that these four groups face. It ensures that employers focus on an objective assessment of the applicant's knowledge, skills, experience and personality.

The Conservative Party fails to see how such an act can be discriminatory. In fact this act represents an important step toward making merit in the true sense of the word the basic tool in evaluating job applications.

The Reform Party says to let the competitive forces of the workplace take over and discrimination will be eliminated. It should be pointed out that for hundreds of years market forces did regulate the hiring process and it is because of the inappropriate way in which the market regulated itself that the Employment Equity Act became a necessity.

We should not and cannot return to the ways of the past, at least not until discrimination itself is a thing of the past. That is why the Progressive Conservative Party cannot support this motion.

• (1850)

Mr. John Harvard (Charleswood St. James—Assiniboia, Lib.): Madam Speaker, I want to say off the top that I am at a loss to understand why we are even having this debate.

This government fully agrees with the member for Wetaskiwin that Canadians should be hired on the basis of merit. It is precisely because we believe profoundly that all qualified individuals should be given an equal chance to gain employment that we supported amendments to the Employment Equity Act in 1995, amendments I might add that enjoy widespread public support.

Private Members' Business

Employment equity simply means that everyone is treated fairly, not preferentially. It means that all qualified job candidates regardless of gender, race or physical and intellectual capacity will be given equal consideration for recruitment and will be retained and promoted on the basis of merit. Employment equity ensures that all individuals are given a fair chance to prove their merit and are not penalized because of their physical appearance or gender.

As we all know, women, aboriginal people, members of visible minorities and persons with disabilities do not always receive a fair shake when applying for a job. Excluding qualified people from employment opportunities results in enormous economic waste and social disintegration. Employment equity is about human decency, fairness and equality, the cornerstones of a true democracy. Equality regardless of race, gender, disability, creed, marital status or family conditions is a right which is guaranteed by the constitution of this great country.

The economic arguments for employment equity are equally compelling. The many private sector employers who appeared as witnesses before the parliamentary committee that reviewed Bill C-64 said repeatedly that promoting employment equity gives them a competitive advantage. These employers said that effective employment equity policies and programs help them attract and retain employees from all backgrounds. This in turn facilitates their entry into more diverse domestic and international markets. Far from being a burden to business, employment equity enlarges the pool of qualified workers from which businesses can draw while increasing their access to new markets.

Improving the lives and opportunities of Canadians also enhances this country's economic performance. Employment equity removes barriers to full participation in Canadian society, barriers that have been insurmountable for far too long.

Let me remind the member for Wetaskiwin that the act clearly stipulates that no employer can be required under any circumstances to hire or promote unqualified individuals, nor are employers required to create new positions in order to satisfy some arbitrary equity targets. What the act does do is it vigorously supports and promotes excellence in the workplace by ensuring that all Canadians have an equal opportunity to make a contribution to our economy and society.

This progressive approach helps Canada keep pace with changing times, changing demographics and a changing economy. It enables us to ensure both the spirit and practice of legal and social equality. Other countries have recognized the benefits of employment equity and have used our act as a model. We should be proud of our leadership in this area.

This motion would have us turn back the clock, no doubt about it. The motion would have us return to a time when there was little guarantee of respect for diversity in the workforce. If adopted, there is a very real danger this motion could result in an increase of the very inequities and unfairness which the Employment Equity

Private Members' Business

Act seeks to eliminate. It would create an unacceptable working standard for millions of Canadians. It would condone racism, sexism and other forms of discrimination which we know already exist in the workplace.

• (1855)

This is clearly unacceptable to Canadians, particularly to the millions of Canadian women, persons with disabilities, members of visible minorities and aboriginal peoples who make up more than half of this country's population.

Employment equity is necessary to make equality of opportunity a reality, not just an ideal, for all Canadians. The member for Wetaskiwin I hope would agree that equality of opportunity is a basic human right, yet we are still a long way from achieving that goal.

For all these reasons, Canada cannot afford the attitude embodied in this motion. It must not stand in the way of progress.

I remind the House that we as representatives of the people of Canada have both a legal and a moral obligation to uphold the Canadian Charter of Rights and Freedoms, the cornerstone of the constitution of this country. To deny the need for employment equity seriously compromises our ability to carry out this duty. I must therefore urge the member for Wetaskiwin to withdraw his motion. I encourage him instead to support the values of fairness and equality embodied in employment equity.

The strengthened Employment Equity Act has now been in effect for almost two years. We are once again among those nations that lead the world in moving toward an egalitarian society not only on paper but in practice.

I ask all members of this House to join together with us as we continue to pursue and achieve major milestones in the pursuit of fairness and equality for all.

Mrs. Michelle Dockrill (Bras d'Or—Cape Breton, NDP): Madam Speaker, first may I take a few moments to thank my hon. colleagues and the Speaker for allowing me the wonderful opportunity to bring the latest addition to my family into the House this evening.

It is with some disappointment I rise to debate this motion today. It is clear from the mover's comments that he intends his motion to be an attack on employment equity. Unfortunately, the wording of his motion seems designed to obscure this fact.

If his intent is to oppose employment equity, it is a shame he did not have the courage of his convictions and spell that out in his motion. Instead he has given us a platitude which is open to a host of interpretations.

No one can disagree with the motherhood statement in his motion. Of course hiring should be based on merit. Where we start to disagree is in how we ensure people are hired based on their merit.

Employment equity was introduced because it was clear many people were not having a chance to be assessed on the basis of merit. The degree to which women, aboriginal persons, persons with disabilities, and members of visible minority groups are under-represented in many areas of the workforce makes it obvious that the problem is more than just a lack of qualified candidates. What makes this even clearer is that in sectors where the groups designated under employment equity are well represented, they were often concentrated in lower paid occupations.

The employment equity legislation focuses on removing barriers that may prevent people from the designated groups from finding employment.

While there are targets, these are to be met by ensuring the hiring procedures and workplaces are free of discrimination. The legislation does not set out hiring quotas. There is also nothing in the legislation requiring employers to hire unqualified candidates. In fact, the reverse is true.

Section 6 of the legislation states specifically that private sector employers are not required to hire or promote unqualified persons. It also states that in the public sector there is no requirement to hire or promote persons without basing the hiring or promotion on selection according to merit in cases where the Public Service Employment Act requires that hiring or promotion be based on selection according to merit.

According to my hon. colleague, we can rely on the marketplace to solve the problem of the under-representation of women, members of visible minority groups, persons with disabilities and aboriginal Canadians. Unfortunately this has not proven to be the case.

The member is right when he says that there are many economic advantages to employers in having a workforce which reflects the community as a whole. What he ignores are the barriers that exist for people from under-represented groups when looking for work. It is these barriers employment equity seeks to eliminate.

• (1900)

The barriers members of designated groups face range from racist or sexist behaviour in the workplace to hiring practices which exclude many people from even having a chance to be considered for jobs. Eliminating these barriers is crucial to ensuring we have hiring based on merit.

It should also not be forgotten that we all benefit from some of the changes required by employment equity. One of the complaints

I hear from people in my riding who are looking for work is that they have difficulty even hearing about vacant jobs.

For many young white males, the group the mover claims to be worried about, this is a particularly serious problem. Finding out about a large number of jobs depends on networking. In other words, who you know.

Young people just starting out are ready to work. They have the ability to work. However, they are not getting that opportunity for some of the same reasons members of groups designated under employment equity legislation are being excluded. Even getting information about job openings can require an extensive network of contacts, something most people who are just starting out do not have.

Even more disturbing is any attempt to link the high level of unemployment among young males to employment equity. Across Canada 1.4 million people are unemployed. We have this level of unemployment because the federal government has chosen to deal with the deficit by cutting and slashing instead of trying to get people back to work.

If we are genuinely concerned about the plight of unemployed young people we should be supporting measures such as reinvestment in health care, a cut in the GST or work experience programs which will put young people back to work.

In closing, I would like to touch on an aspect of the employment equity debate which the government would rather we forget. A key part of employment equity is the assumption that there should be equal pay for work of equal value: pay equity. During the 1993 election campaign members of the Liberal Party agreed with it. They promised public employees they would receive a fair settlement. Five years later public employees are still waiting.

First the federal government forced employees to go through the Canadian Human Rights Tribunal to get justice. When the employees were successful at the tribunal the federal government appealed the decision. There is an old saying "justice delayed is justice denied". The way the Liberal government has broken its word on pay equity has left many questioning its commitment to promoting fairness in the workplace.

Mr. Deepak Obhrai (Calgary East, Ref.): Madam Speaker, today I rise to voice my support for my colleague's motion which states:

That, in the opinion of this House, the government should support the right of all job applicants to be evaluated solely on the basis of merit.

However, although I firmly believe in the substance of Motion M-7, I want to make it very clear that this in no way means I am not aware that prejudice and discrimination exists in Canadian society.

Private Members' Business

Merit and ability should be the only things that matter in the workplace. However, there are times when one is not evaluated solely on the basis of these attributes. Women, ethnic minorities, aboriginal people and the disabled are examples of groups that continue to face hurdles which are put in place by ignorance and lack of understanding.

When one is faced with discrimination, one must have access to the processes which allow for redress. These processes are the human rights commission and the courts of law. We must ensure that people have easy and affordable access to the instruments that can correct injustices like discrimination.

However, having said this we must also recognize that Canada is renowned throughout the world for its tolerance and compassion. We should recognize that although we are not yet a society completely free of prejudice, we have made tremendous strides over the last 40 years.

I came to Canada because I wished to be judged as an individual, not as a mere representative of some ethnic group. Twenty years later I have the honour to sit in the House of Commons, having been elected by men and women of all races, religions and creeds.

This is the type of country we live in, a land which offers opportunity and promise to all those who show determination and hard work. Every member of this House will know that and agree that every individual should be equal before and under the law. Every individual has the right to equal protection and equal benefit of the law without discrimination based on such attributes as race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

• (1905)

If this last statement sounds familiar to some it is because I was loosely quoting from the Canadian Charter of Rights and Freedoms.

We should all be given the same opportunity to succeed. The role of the government is to ensure that no one is barred from employment for factors which have nothing to do with their ability. The role of the government is not to set numerical goals commonly referred to as quotas.

Allow me to comment briefly on some of my past experiences. Regardless of where I have lived, I have spent my entire life as a visible minority, first in Tanzania and then in Canada. I have faced discrimination in both of these countries on numerous occasions. In Tanzania I was denied employment on numerous occasions because of the colour of my skin. I could have given up. I could have thrown in the towel. Rather than doing that I chose to fight these injustices and I am proud to say that on numerous occasions I overcame these arbitrary barriers.

Private Members' Business

I had similar experiences during the 1970s when I came to Canada. On several occasions I was denied employment in this country because of my race. This was happening at a time when I faced the added difficulty of raising a young family. Nevertheless, I persevered and fought on and today I find myself in Canada's House of Commons, having been elected, as I said, by men and women of all backgrounds.

Let me point out that discrimination is also not always based on colour or race. I have faced discrimination within my own community, within other cultural communities and within the business sector.

With all of this experience one would think that I would be a very strong supporter of affirmative action programs. But I am not. Why? Because of the very fact that I hate discrimination. I hate it whenever anyone's dignity is robbed. Everyone should have equal rights.

I would therefore ask this question: Is affirmative action not reverse discrimination? I would venture to say yes. Somebody will lose based on factors which have nothing to do with their merit or ability.

My experiences have also taught me that affirmative action programs do little to address the systematic discrimination which exists within our society. As well, affirmative action programs do not take into account that people may gravitate toward certain professions. So it is quite possible that there could be a higher proportion of individuals from a particular group in a certain profession.

Is this necessarily a bad thing? I would venture to say no because this is their choice. If the required target is unattainable due to lack of interest on the part of the targeted group, then what? Would we force it? Would this not create an artificial correction with disastrous consequences? Affirmative action programs fail to take these factors into consideration.

If the quota systems are not the answer, then how do we address the issue of discrimination in society? In my view, we address it through education coupled with common sense legislation that ensures that Canadians are treated fairly and equitably.

Through education, companies and employers must be made aware of the consequences of discrimination in the workplace. It should be done through education, not affirmative action. Education must sensitize employers to the various groups that could be subject to discrimination.

As previously mentioned, applicants should also have the right and access to a system that will resolve their grievances. This should be the solution, not affirmative action programs.

I would hate to be the successful candidate for a job simply because of my colour, gender or physical disability. On the other

hand, I would be proud to be selected based on my abilities and qualifications.

This is a simple statement. However, it carries with it a strong principle, a principle which I believe should be the foundation of our society and, henceforth, I give my wholehearted support to this motion.

• (1910)

Mr. Dale Johnston (Wetaskiwin, Ref.): Madam Speaker, I thank my colleagues for their participation in this debate. It is funny how sometimes we get support from quarters that we least expect.

Maybe I am reading a little more into it than the member from the Bloc actually stated, but he did talk about how he was not in favour of patronage appointments or anything that was attached to political favours making sure that a person got the job. As a matter of fact he even had some examples that he cited for *Hansard*.

I would have to assume from that—and I hope I am making the right assumption—that he would not think an appointment to the Senate based on patronage is the right way to go. As a matter of fact he said that, so I would have to assume he would be in favour of senatorial elections.

That reminds me that just a few weeks ago I was speaking in a constituency and made a similar statement. One of the questions in the question period afterwards was "The latest senator is a very qualified person so if you were to select a senator he is probably an excellent applicant". I agree with that assessment. However it is not the person's qualifications that are in doubt in that case. It is how he got there. He got there because he was part of the old boys club who just happened to have qualifications.

I suggested that because he had such good qualifications he should have thrown his hat into the senatorial election race that was taking place at the time in Alberta anyway and he might have got himself elected as a senator and made history.

One of my colleagues across the way in the government was saying that the imposition of quotas was in no way any sort of a burden on the employer and that it did not impose any undue hardships. Perhaps he should have a chat with his colleague in the Liberal Party from Mississauga East who obviously does not agree with that assessment. She said in one of the HRD committee meetings that in her estimation it cost at least \$1,000 per employee to qualify and to comply with all employment equity conditions.

Lest people who have spoken to this are misunderstanding what we are trying to get across today, a person should be selected, as my colleague from Calgary East has said, on the basis of how well trained he or she is to do the job. If the person is of visible minority, a woman, an aboriginal or disabled, it should have nothing whatsoever to do with it. The sole basis should be if the person has the qualifications to do a good job for their employer so that their employer can produce and compete in the global environment. It

should have nothing whatsoever to do with imposed quotas by the Government of Canada.

It is unfortunate that this was not selected as a votable item. I would be most interested to see how members of the government would have voted on it.

The Acting Speaker (Ms. Thibeault): There being no further members rising for debate and the motion not being designated as a votable item, the time provided for the consideration of Private Members' Business has now expired and the order is dropped from the order paper.

ADJOURNMENT PROCEEDINGS

• (1915)

[*Translation*]

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

EMPLOYMENT INSURANCE

Mr. Yvon Godin (Acadie—Bathurst, NDP): Madam Speaker, I believe it was last June that I rose in the House and asked the Minister of Human Resources Development to visit the Acadian peninsula to see the problems there.

I am pleased to rise tonight and again ask the minister to visit the Acadian peninsula. Last night I was at a meeting in the Restigouche region, and people wanted the Minister of Human Resources Development to visit, because they are suffering as a result of the changes to employment insurance. All the cuts are making things miserable in the region.

I have even had calls from people in the Gaspé, who want to meet and discuss the problem that arises wherever there are people who fish, who work in the forest or who work in construction.

You know, tonight, we voted on the business of small weeks. Some members still do not understand the problem that can create in the regions. I was disappointed to see the Liberals voting against. I was also disappointed to see the Reformers voting against it, because they are always on their feet in the House asking questions about employment insurance. Every day they get up and say that the government is taking money from workers and must return it to them. When the Reformers get the opportunity to vote for something good, they turn around and vote against it. I am disappointed.

Adjournment Debate

I was also disappointed to see how Liberal members voted. The government opposite, which set up the pilot project in April of last year, knows full well that people with small weeks cannot get equitable EI benefits that will put bread on the table for their children.

This is why we are inviting the minister to come and visit us. What is he afraid of? Is he afraid the same thing will happen in Thetford Mines, Newfoundland or Vancouver? Is he afraid of that? I can organize meetings with people, and he would not have to be nervous about coming. He ought to come and find out right away for himself what is going on. I believe it is important.

Last week, 40 women employed by fishers lost their employment insurance. All of these work for small family businesses and all lost their employment insurance. They are concerned. They have to get through the winter. This is not the first time I have risen in this House to invite the Minister of Human Resources Development to come down to my riding.

The Minister of Human Resources Development claims that the solution is to create employment. Let him come down to visit us, sit around a table with us, and we will try to find some solutions. Until then, people must not be punished. They must not have what they are entitled to taken away from them. These are workers who have contributed to the employment insurance fund. It is theirs. There is \$20 billion in the employment insurance fund. How can the Minister explain that there are people suffering today, that there are people drawing \$36 a week in EI benefits because of the changes to the system?

Yesterday, that is what the people of Restigouche were asking me. They said "We want the Minister of Human Resources Development to come down here so we can talk to him and show him how the system is making people suffer".

It is not unusual for a minister to travel around the country in order to fulfil his responsibilities and to talk with people. Once again I am asking the minister—

The Acting Speaker (Ms. Thibeault): I must interrupt the hon. member, for his time is up.

[*English*]

Ms. Bonnie Brown (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Madam Speaker, the minister has been travelling across Canada and has been listening to all Canadians regarding their views on employment insurance.

The old employment insurance system was 25 years old and needed updating. We had to find a balance between giving workers the temporary support they need between jobs and giving the people the tools they need to get back to work.

Adjournment Debate

So far we think the new program is having some success.

• (1920)

Over 31,000 jobs have been created in areas of high unemployment because of the new transitional jobs fund program. In New Brunswick this initiative has helped to create over 2,300 jobs.

Through the labour market development agreement we are transferring \$228 million over three years to New Brunswick to deliver active employment measures tailored to the needs of the people in that province.

In addition, under the new EI system seasonal workers who work long hours in the high season get credit for all time on the job. The hour system is enabling many seasonal workers, up to 45,000, to qualify for benefits for the first time. It also helps seasonal workers to qualify for more weeks of benefits.

Take the tourism worker in Gaspé who works for 15 weeks and puts in 45 hours each week. Under the old system he or she

qualified for 29 weeks of benefits. Under the new EI that worker could collect the equivalent of 31 weeks of benefits.

Because EI represents such a fundamental reform of the system we are monitoring its performance constantly. This monitoring demonstrates the government's accountability for its decisions to Canadians.

Is the hon. member advocating a return to the old system of dependency on passive income support? Surely not.

[*Translation*]

The Acting Speaker (Ms. Thibeault): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.20 p.m.)

CONTENTS

Tuesday, October 27, 1998

ROUTINE PROCEEDINGS

| | |
|---|------|
| Ways and Means | |
| Notice of motion | |
| Mr. Peterson | 9435 |
| Income Tax | |
| Mr. Peterson | 9435 |
| Government Response to Petitions | |
| Mr. Adams | 9435 |
| Committees of the House | |
| Procedure and House Affairs | |
| Mr. Adams | 9435 |
| Employment Insurance Act | |
| Bill C-449. Introduction and first reading | 9435 |
| Mr. Szabo | 9435 |
| (Motions deemed adopted, bill read the first time and printed) | 9435 |
| Committees of the House | |
| Procedure and House Affairs | |
| Motion for concurrence | 9435 |
| Mr. Adams | 9435 |
| (Motion agreed to) | 9435 |
| Fisheries and Oceans | |
| Motion for concurrence | 9436 |
| Mr. Stoffer | 9436 |
| Mr. Stoffer | 9438 |
| Mr. Lunn | 9439 |
| Mr. Stoffer | 9439 |
| Mr. Proctor | 9439 |
| Mr. Stoffer | 9439 |
| Mr. Asselin | 9439 |
| Mr. Stoffer | 9440 |
| Mr. Crête | 9440 |
| Mr. Stoffer | 9441 |
| Mr. Crête | 9441 |
| Mr. Earle | 9441 |
| Mr. Crête | 9442 |
| Ms. Hardy | 9442 |
| Mr. Crête | 9442 |
| Mr. Lunn | 9442 |
| Mr. Easter | 9444 |
| Mr. Stoffer | 9444 |
| Mr. Easter | 9444 |
| Mr. Lunn | 9444 |
| Mr. Stoffer | 9445 |
| Mr. Lunn | 9445 |
| Mr. Easter | 9445 |
| Mr. Lunn | 9445 |
| Ms. Catterall | 9445 |
| Mr. Stoffer | 9446 |
| Ms. Catterall | 9446 |
| Motion | 9446 |
| Mr. White (Langley—Abbotsford) | 9446 |
| Mr. Lunn | 9446 |
| Motion agreed to | 9447 |

GOVERNMENT ORDERS

| | |
|--|------|
| Canada Customs and Revenue Agency Act | |
| Bill C-43—Time allocation motion | |
| Mr. Gagliano | 9447 |
| Motion | 9447 |
| Motion agreed to | 9448 |
| Second reading | |
| Mr. de Savoye | 9448 |
| Mr. Harb | 9449 |
| Mr. Goldring | 9449 |
| Mr. Cullen | 9449 |
| Mr. de Savoye | 9449 |
| Mr. White (Langley—Abbotsford) | 9451 |
| Mr. Sekora | 9451 |
| Mr. Nystrom | 9453 |
| Mrs. Venne | 9454 |
| Mr. Shepherd | 9455 |
| Mr. Jones | 9456 |

STATEMENTS BY MEMBERS

| | |
|--|------|
| Agriculture | |
| Mr. Pankiw | 9458 |
| IODE | |
| Mrs. Chamberlain | 9458 |
| Breast Cancer | |
| Mr. Adams | 9458 |
| Breast Cancer | |
| Ms. Minna | 9458 |
| Agriculture | |
| Mr. Ritz | 9459 |
| Canadian National Institute for the Blind | |
| Mr. Mahoney | 9459 |
| Employment Insurance | |
| Mrs. Jennings | 9459 |
| Small Business Week | |
| Mrs. Lalonde | 9459 |
| National Post | |
| Mr. Reynolds | 9459 |
| Greek Community | |
| Ms. Bakopanos | 9460 |
| National Post | |
| Ms. Lill | 9460 |
| Erminie Joy Cohen | |
| Mrs. Wayne | 9460 |
| Women's History Month | |
| Mrs. Barnes | 9460 |
| Wye Plantation Accord | |
| Mr. Turp | 9461 |
| Gasoline | |
| Mr. Johnston | 9461 |
| Christmas Tree Industry | |
| Mr. Keddy | 9461 |

ORAL QUESTION PERIOD

Employment Insurance

| | |
|------------------------------------|------|
| Mr. Manning | 9461 |
| Mr. Chrétien (Saint-Maurice) | 9461 |
| Mr. Manning | 9462 |
| Mr. Chrétien (Saint-Maurice) | 9462 |
| Mr. Manning | 9462 |
| Mr. Chrétien (Saint-Maurice) | 9462 |
| Miss Grey | 9462 |
| Mr. Martin (LaSalle—Émard) | 9462 |
| Miss Grey | 9462 |
| Mr. Martin (LaSalle—Émard) | 9462 |

The Constitution

| | |
|------------------------------------|------|
| Mr. Duceppe | 9462 |
| Mr. Chrétien (Saint-Maurice) | 9462 |
| Mr. Duceppe | 9462 |
| Mr. Chrétien (Saint-Maurice) | 9463 |
| Mr. Gauthier | 9463 |
| Mr. Chrétien (Saint-Maurice) | 9463 |
| Mr. Gauthier | 9463 |
| Mr. Chrétien (Saint-Maurice) | 9463 |

Health

| | |
|---------------------|------|
| Ms. McDonough | 9463 |
| Mr. Rock | 9463 |
| Ms. McDonough | 9463 |
| Mr. Rock | 9464 |

National Defence

| | |
|--------------------|------|
| Mrs. Wayne | 9464 |
| Mr. Eggleton | 9464 |
| Mrs. Wayne | 9464 |
| Mr. Eggleton | 9464 |

Employment Insurance

| | |
|----------------------------------|------|
| Mr. Solberg | 9464 |
| Mr. Martin (LaSalle—Émard) | 9464 |
| Mr. Solberg | 9464 |
| Mr. Martin (LaSalle—Émard) | 9464 |

Election in Quebec

| | |
|------------------------------------|------|
| Mr. Brien | 9465 |
| Mr. Chrétien (Saint-Maurice) | 9465 |
| Mr. Brien | 9465 |
| Mr. Brien | 9465 |
| Mr. Dion | 9465 |

Taxation

| | |
|----------------------------------|------|
| Mr. Pankiw | 9465 |
| Mr. Martin (LaSalle—Émard) | 9465 |
| Mr. Pankiw | 9465 |
| Mr. Martin (LaSalle—Émard) | 9465 |

The Constitution

| | |
|---------------------|------|
| Mrs. Tremblay | 9465 |
| Mr. Dion | 9465 |
| Mrs. Tremblay | 9466 |
| Mr. Dion | 9466 |

Fisheries

| | |
|----------------|------|
| Mr. Mark | 9466 |
|----------------|------|

The Canadian Broadcasting Corporation

| | |
|-----------------|------|
| Mr. Mark | 9466 |
| Mr. Massé | 9466 |
| Mr. Mark | 9466 |

| | |
|-----------------|------|
| Ms. Copps | 9466 |
|-----------------|------|

The Constitution

| | |
|--------------------|------|
| Mr. Bergeron | 9467 |
| Mr. Dion | 9467 |

Scrapie

| | |
|--------------------|------|
| Mr. Coderre | 9467 |
| Mr. Vanclief | 9467 |

APEC Inquiry

| | |
|-------------------------------|------|
| Mr. Abbott | 9467 |
| Mr. Scott (Fredericton) | 9467 |
| Mr. Abbott | 9467 |
| Mr. Scott (Fredericton) | 9467 |

Royal Canadian Mounted Police

| | |
|-------------------------------|------|
| Mr. Robinson | 9467 |
| Mr. Scott (Fredericton) | 9468 |
| Mr. Solomon | 9468 |
| Mr. Scott (Fredericton) | 9468 |

Helicopter Purchase

| | |
|--------------------|------|
| Mr. Price | 9468 |
| Mr. Eggleton | 9468 |
| Mr. Price | 9468 |
| Mr. Eggleton | 9468 |

Foreign Affairs

| | |
|--|------|
| Ms. Cohen | 9468 |
| Mr. Axworthy (Winnipeg South Centre) | 9468 |

Health

| | |
|--------------------------|------|
| Mr. Hill (MacLeod) | 9468 |
| Mr. Rock | 9469 |

Social Programs

| | |
|----------------------------------|------|
| Mr. Loubier | 9469 |
| Mr. Martin (LaSalle—Émard) | 9469 |

Bank Service Charges

| | |
|--------------------|------|
| Mr. Nystrom | 9469 |
| Mr. Peterson | 9469 |

Transportation

| | |
|----------------------|------|
| Mr. Casey | 9469 |
| Mr. Collenette | 9469 |

Presence in Gallery

| | |
|-------------------|------|
| The Speaker | 9470 |
|-------------------|------|

GOVERNMENT ORDERS

Canada Customs and Revenue Agency Act

| | |
|---|------|
| Bill C-43. Second reading | 9470 |
| Mr. Jones | 9470 |
| Mr. Guimond | 9470 |
| Mr. Myers | 9472 |
| Mr. Blaikie | 9473 |
| Mr. Blaikie | 9474 |
| Mr. Wilfert | 9474 |
| Mrs. Lalonde | 9475 |
| Mr. Lunn | 9476 |
| Ms. Vautour | 9477 |
| Mr. Chrétien (Frontenac—Mégantic) | 9478 |
| Ms. Meredith | 9480 |
| Ms. Leung | 9481 |
| Ms. Wasylycia-Leis | 9482 |
| Mr. Bachand (Saint-Jean) | 9484 |
| Mr. Mahoney | 9485 |

| | | | |
|---|------|---|------|
| Mr. Epp | 9487 | Mr. Bergeron | 9493 |
| Amendment negatived | 9489 | Mr. Solomon | 9493 |
| Mr. Kilger | 9489 | Mr. Harvey | 9493 |
| Mr. Bryden | 9489 | Motion agreed to | 9494 |
| Motion agreed to | 9490 | (Bill read the second time and referred to a committee) ... | 9494 |
| (Bill read the second time and referred to a committee) ... | 9490 | | |
| Personal Information Protection and Electronic Documents Act | | Supply | |
| Bill C-54. Second reading | 9490 | ALLOTED DAY—Employment Insurance | |
| Mr. Kilger | 9490 | Motion | 9494 |
| Mr. Strahl | 9490 | Amendment negatived | 9496 |
| Mr. Bergeron | 9490 | Mr. Kilger | 9496 |
| Mr. Solomon | 9490 | Motion negatived | 9497 |
| Mr. Harvey | 9491 | | |
| Amendment negatived | 9492 | PRIVATE MEMBERS' BUSINESS | |
| | | Merit Principle | |
| Foreign Publishers Advertising Services Act | | Mr. Johnston | 9497 |
| Bill C-55. Second reading | 9492 | Motion | 9497 |
| Mr. Kilger | 9492 | Mr. Lebel | 9498 |
| Mr. Strahl | 9492 | Mr. Ianno | 9499 |
| Mr. Bergeron | 9492 | Mr. Muise | 9500 |
| Mr. Solomon | 9492 | Mr. Harvard | 9501 |
| Mr. Harvey | 9492 | Mrs. Dockrill | 9502 |
| Amendment negatived | 9493 | Mr. Obhrai | 9503 |
| | | Mr. Johnston | 9504 |
| Royal Canadian Mint Act | | ADJOURNMENT PROCEEDINGS | |
| Bill C-41. Second reading | 9493 | Employment Insurance | |
| Mr. Kilger | 9493 | Mr. Godin (Acadie—Bathurst) | 9505 |
| Mr. Strahl | 9493 | Ms. Brown | 9505 |

MAIL  POSTE

Canada Post Corporation/Société canadienne des postes

Postage paid

Port payé

Lettermail

Poste-lettre

03159442

Ottawa

If undelivered, return COVER ONLY to:

Canadian Government Publishing,

45 Sacré-Coeur Boulevard,

Hull, Québec, Canada, K1A 0S9

En cas de non-livraison,

retourner cette COUVERTURE SEULEMENT à:

Les Éditions du gouvernement du Canada,

45 boulevard Sacré-Coeur,

Hull, Québec, Canada, K1A 0S9

Published under the authority of the Speaker of the House of Commons

Publié en conformité de l'autorité du Président de la Chambre des communes

Also available on the Parliamentary Internet Parlementaire at the following address:

Aussi disponible sur le réseau électronique «Parliamentary Internet Parlementaire» à l'adresse suivante :

<http://wwwparl.gc.ca>

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

Additional copies may be obtained from Canadian Government Publishing, Ottawa, Canada K1A 0S9

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.

On peut obtenir des copies supplémentaires en écrivant à : Les Éditions du gouvernement du Canada, Ottawa, Canada K1A 0S9

On peut obtenir la version française de cette publication en écrivant à Travaux publics et Services gouvernementaux Canada – Édition, Ottawa, Canada K1A 0S9.