



CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Monday, June 5, 2000**

**Speaker: The Honourable Gilbert Parent**

## CONTENTS

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

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## HOUSE OF COMMONS

Monday, June 5, 2000

The House met at 11 a.m.

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*Prayers*

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• (1100)

[*English*]

### POINTS OF ORDER

#### PRIVATE MEMBERS' BUSINESS

**Mr. Chuck Strahl (Fraser Valley, Canadian Alliance):** Mr. Speaker, I notice that today we are not starting with Private Members' Business but with orders of the day. I would just like to point out, and ask for guidance from the Chair, that this is, by my reckoning, the sixth time that the member for Pickering—Ajax—Uxbridge has not been available to move ahead with his private member's bill, which means that we will have no Private Members' Business today.

I do not mind if the member for Pickering—Ajax—Uxbridge cannot be here because of an illness, is sometimes unavoidably away or whatever it might be, but when it gets to the stage where we have gone through this six times, it means that someone else's private member's bill does not come forward today because a swap could not be made or whatever.

• (1105)

No doubt, Mr. Speaker, you and the clerks have attempted to get us Private Members' Business today, but it does seem, in my opinion, to be very unfortunate when someone abuses the goodwill of the House and the goodwill of the Chair by continually putting this bill off and not dealing with it.

I would love to debate it, get on with it and have a vote on it, but it appears that there is some sort of strategy, that none of us are aware of, of putting it off indefinitely. This is the sixth time now and today we have no Private Members' Business. The private members in the House deserve better than that.

I would ask the member to reconsider what he has been doing here with this bill. I would also ask the Chair to consider his options as to what can be done to expedite this. It is not right, when we have such little time for Private Members' Business, that even that little time is not available to us.

**Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, of course this is not the first time this has occurred. It has occurred with members from various parties where the same or a similar situation has arisen. However, that does not make it right.

I agree with the hon. member that the private member's process that we have is not designed for a bill to come up in rotation, then back down again and never actually be debated. With that in mind, I certainly will bring it to the attention of the hon. member.

Additionally, about a year and a half or two years ago I asked the Standing Committee on Procedure and House Affairs if it could devise a mechanism whereby after a certain number of times there would be a process whereby the bill would go the bottom of the list, cease to be votable or something like that.

I would not be adverse to having a rule like that if members of the Standing Committee on Procedure and House Affairs want to have a look at it again because I agree with the sentiment expressed by the member.

I do not believe there is a strategy or anything like that. Members have done this before. Perhaps what we need is a mechanism to ensure that when a bill is votable it is debated or it ceases to be part of the votable bills so that another bill could become votable. I think that would be a reasonable way to look at it.

**The Speaker:** This particular circumstance does cause me some concern. There are two issues here. The first issue that I have been asked to deal with is the point brought up by the opposition House leader, that this particular bill has come up six different times. I am quoting him on that. Every time it has gone around. I believe he is asking me to make some kind of a decision on this particular aspect.

The second thing was brought up by the government House leader. It was mentioned that a year and a half ago the procedure

*Government Orders*

committee was asked to consider this problem in a more general form, not this specific problem, and to give us some guidance as to how many times a bill can come up and then go to the bottom again. I think this is reasonable. I would certainly encourage the committee to consider this sometime soon.

I want to deal with the first issue that was brought up. I wonder if the government House leader would take it upon himself to ask the member for Pickering—Ajax—Uxbridge to please come to the House. I would like hear what he has to say about it. After having heard what the hon. member has to say, I will bring a decision on the first part.

On the second part, I encourage the committee to deal with the recurring problem. We will take it from there.

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## GOVERNMENT ORDERS

• (1110)

[*English*]

### BUDGET IMPLEMENTATION ACT, 2000

**Hon. Don Boudria (for the Minister of Finance, Lib.)** moved that Bill C-32, an act to implement certain provisions of the budget tabled in Parliament on February 28, 2000, be read the third time and passed.

**Mr. Roy Cullen (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, thank you for the opportunity to address the House at third reading of Bill C-32, the budget 2000 implementation bill. The measures in the bill were all announced in the 2000 budget.

[*Translation*]

In this budget, the Minister of Finance reaffirmed that the government would observe its plan of sound financial management, that it would reduce taxes, and invest in abilities, knowledge and innovation. This plan will make it possible for the quality of life of Canadians and their children to be improved.

[*English*]

Several measures in Bill C-32 contribute to improving the quality of life for Canadians. Amendments to the Federal-Provincial Fiscal Arrangements Act, the Income Tax Act and the Canada Student Financial Assistance Act, for example, will strengthen access to post-secondary education, provide support for health care and provide more financial assistance to families with children and students. It is important that these particular measures be in place

before the summer recess in order to benefit those Canadians who want and who need them.

Let me take a moment to provide the House with a brief overview of the bill. The first announcement the Minister of Finance made in the 2000 budget concerned increased funding for post-secondary education and health care, thus reaffirming the importance the government attaches to these two areas.

[*Translation*]

Bill C-32 calls for a \$2.5 billion increase in Canada health and social transfer payment for health, social programs and post-secondary education. This is the fourth increase the government has made to the CHST.

The additional funds will be distributed to the provinces and territories on a per capita basis and will go into a trust fund from which they can draw funds for four years once the bill has been passed.

[*English*]

Combined with a value of tax transfers and this new supplement, total CHST will reach almost \$31 billion in 2000-01, up from \$29.4 billion in 1999-2000. Put a different way, together with the \$11.5 billion investment in the 1999 budget, the cash component of the CHST will reach \$15.5 billion in each of the next four years. That is a 25% increase in the CHST from the 1998-99 level.

One reason to pass the bill without delay is to ensure that this much needed money gets into the health care system quickly to help Canadians.

A second measure in the bill concerns financial assistance to students.

[*Translation*]

As hon. members are aware, the Canada student loan program has been making post-secondary education more accessible since 1964. The current agreement under which financial institutions make loans to students on behalf of the federal government will, however, come to an end on July 31, 2000.

[*English*]

The bill we are debating today ensures that the Canada student loans program will continue to serve students after that date. There will be money available for student borrowers after July 31 and there will be no interruption in service.

As I indicated before, it is essential that this measure be in place soon so that there is money available for students who will need loans in September.

A third measure provides increased child tax benefits and indexed GST benefits effective July 1, 2000. To assist families with the added expense of raising children, benefits under the Canada

child tax benefit are being increased by \$2.5 billion annually by 2004. The government's five year goal is to bring the maximum Canada child tax benefit for the first child to \$2,400 and to \$2,200 for the second child by 2004.

To achieve these goals, the Canada child tax benefit will be fully indexed. The base benefit and the national child benefit supplement will be increased beyond indexation. The income thresholds for the base benefit and the national child benefit supplement will be raised and the reduction rate for the base benefit will be lowered.

• (1115)

Middle income families will benefit substantially from these changes. For example, the CCTB benefit for a family with two children and an annual income of \$60,000 will more than double, from \$733 before the 2000 budget to \$1,541 by the year 2004. This measure is one more reason Bill C-32 must be passed without delay. Low and middle income Canadian families are depending on the CCTB increases and indexed GST benefits in July.

Another measure in this bill also assists families.

[Translation]

Budget 2000 is extremely generous toward parents of newly born or newly adopted children, increasing the duration of parental leave allowed under the employment insurance program as well as the flexibility and accessibility of benefits.

The duration of parental leave, which may be used by one parent or split between the two, will be raised to 35 weeks. With 15 weeks of maternity leave and the standard two week waiting period, this brings the leave related to the arrival of a child up to one full year.

[English]

In addition, the number of insurable hours that must be worked to qualify for special benefits will be lowered to 600 hours from 700 hours. Parents will have increased flexibility to decide whether one or both parents will spend time at home with a new child, as only one waiting period per birth or adoption will be required instead of two.

Income earned while receiving parental benefits will be treated the same as for regular EI benefits and the Canada Labour Code will be amended to protect the jobs of employees in federally regulated workplaces during the extended parental leave period.

[Translation]

Another measure will allow Canadians to further diversify their personal retirement savings plans. The limit on foreign property that can be held in registered retirement savings plans and other deferred income plans will be increased to 25% for 2000 and to 30% for 2001.

Several bodies, including the House of Commons Standing Committee on Finance, the Senate Standing Committee on Bank-

### *Government Orders*

ing, Trade and Commerce, and the Investment Funds Institute of Canada have asked that this ceiling be raised.

[English]

These increases will also apply to the Canada Pension Plan Investment Board. There is a change in Bill C-32 which directly affects the Canada pension plan. The provinces are permitted to borrow money from the CPP under terms set out in the CPP legislation. Bill C-32 responds to a request from the provinces that was agreed to by the federal-provincial ministers of finance last December as part of the CPP triennial review for a prepayment option for provincial CPP borrowings. The provinces will now be allowed to prepay their CPP obligations in advance of maturity and at no cost to the CPP plan. This will provide provinces which have fiscal surpluses with some flexibility to look for ways to reduce their debt. It also means that more funds will be transferred to the CPPIB and invested in the market at higher expected returns.

On the international front, Bill C-32 amends the Special Import Measures Act, or SIMA, to bring Canadian countervailing duty laws into line with recent changes to the WTO subsidies agreement. Certain provisions in that agreement which rendered certain foreign subsidies immune from countervailing duty action lapsed last December 31.

[Translation]

Bill C-32 allows for the suspension of provisions in the Special Import Measures Act that implement these non-actionable subsidy provisions into Canadian law.

These amendments will ensure that we are not treating our trading partners more favourably than they are treating us in countervailing duty investigations.

[English]

The two remaining measures in the bill concern first nations taxation and an amendment to the Excise Tax Act. Thirteen first nations will be allowed to levy a direct 7% GST-style sales tax on fuel, alcohol and tobacco products sold on reserve. The Canada Customs and Revenue Agency will collect the sales taxes and the federal government will vacate the GST room where the first nation tax applies. First nations which wish to follow suit in the future can be granted authorization through an order in council instead of a legislative amendment.

• (1120)

Finally, this bill addresses the issue of tax evasion. The Minister of National Revenue will be able to apply ex parte, in other words, without notice, for judicial authorization to proceed with assessment and collection action in instances where revenues may be at risk if GST and harmonized sales tax registrants are allowed their usual remittance period. Until now the Minister of National Revenue has been powerless to proceed with assessment and collection action before the tax came due.

*Government Orders**[Translation]*

In short, the measures included in this bill are non contentious and, because of three initiatives in particular, this bill should be passed quickly.

It is essential that the CHST supplement be invested in the health network as quickly as possible. It is essential that the student loans program be in place by September. Finally, it is essential that the child tax benefits be increased and that the indexed GST benefits be available by the end of June.

*[English]*

If these three measures are not enacted before the summer recess Canadians will suffer. While the remaining measures are not facing a similar timeframe, they are nonetheless important for millions of Canadians and for the efficient operation of government.

I strongly recommend that all hon. members give their support to this bill.

**Mr. Monte Solberg (Medicine Hat, Canadian Alliance):** Mr. Speaker, it is a pleasure to rise today to speak to Bill C-32.

Right off the top I want to say that it is interesting that the hon. member across the way did not say that it is important to pass this legislation because it will give Canadians hope, because it will give them new opportunities or provide the hundreds of thousands of jobs that are necessary to help out people on the low end of the income scale. He simply said that some benefits will be increased.

The speech which my hon. friend across the way just gave speaks volumes about the approach of this government. It is always "Let's try to manage the problem". It will not fundamentally fix it. It will not provide people with opportunities. Instead, it is "Let's manage it. Let's get it off the boil and put it on to simmer on the back burner". That characterizes the whole approach of this government.

Having said that, I want to talk about Bill C-32 in the context of something the Prime Minister said the other day in Germany. He said that the Canadian Alliance has an agenda of greed. That is a serious accusation and I want to address Bill C-32 in that context. If we asked ourselves what exactly does that mean, it becomes pretty apparent very quickly that there is a huge irony taking place.

What is greed? What does it mean to be greedy? It means taking something that one is not entitled to, something that one did not earn. Thinking about it that way, that perfectly describes the government. It is absolutely true that over the last six and a half years since it has been in power it has taken more and more money from people's pockets, money that does not belong to it. Truthfully, it belongs to the people who earned it. They earned it by working hard. What does the government do? It now confiscates 50% of

their income and, in some cases, at the margins people face a tax rate of 60%. That is shameful, but it is what occurs under this government and it is completely unapologetic for it. That is the agenda of greed that we see in Canada. I would argue that when this government taxes \$7 billion a year away from people earning less than \$20,000, that is an agenda of greed.

- (1125)

What have those people done that they deserve to have that much money taxed away from them? They have worked hard. They may not have skills or education. In some cases they may have fallen on hard times. That is their crime. For that they are punished by paying \$7 billion a year in taxes. It is absolutely unbelievable. That does not include the taxes they pay in Canada pension plan premiums, which are going up, and EI premiums. CPP premiums are going up far more than employment insurance premiums are going down. People are paying more and more.

What about brain drain? One of the factors which drives people out of the country is heavy taxation. I would say that is an agenda of greed, of which this Liberal government is guilty. The government is taxing people to the point where they are saying that the government obviously does not appreciate the fact that they work 50, 60 and 70 hours a week, creating, in some cases, hundreds of jobs.

The government taxes the life out of people until they say "Why should I pay these high taxes?" They do not mind paying taxes that are maybe a quarter or a third of their income, but why 50% or 60%? That is what happens to some people at the margins in Canada today. That is greed. It is greed when the government takes money that it is not entitled to.

I think it is greedy when the government puts people in the position in which both parents have to work. How many times have we in this place heard people say "If I had a choice, I would stay at home with the kids. That is what I would prefer to do. That is a choice that I would like to have". The government taxes people so heavily today that both parents have to work, one just to pay the finance minister.

That is the definition of greed. If the Prime Minister wants to look for an agenda of greed, he should look at his own agenda. It is an agenda of greed when people are taxed that heavily to support the government. It is not like people are getting great services for the money they send to the Minister of Finance and the Prime Minister. Consider the human resources development scandal. What happens?

We have \$7 billion a year that comes from people making less than \$20,000 a year. A good chunk of that goes to a department like human resources development, and a good chunk of that money goes to things that are, to be charitable, questionable activities. Consider all the money that is poured into the coffers of people who are great political supporters of the Prime Minister.

*Government Orders*

It is not like there is some objective process that people have to go through to get this money. We know, for instance, that in the Prime Minister's riding, because of political pressure, all kinds of grants to friends of the Prime Minister were approved. These people then gave money back to the Prime Minister for his campaign. Now we have four police investigations in the Prime Minister's riding.

That is an agenda of greed. The government takes \$7 billion from the lowest income Canadians and then gives it to its political cronies, who then give it back in the form of campaign contributions. That is an agenda of greed. If there is anyone guilty of greed, it is the Prime Minister and this government.

It is about time that we pulled the mask off and revealed the Prime Minister and government members for what they are. They are people who too often use the tools of government to push their own political ends. That is fundamentally wrong. Many of us were sent to this House to change that, to turn it around. It is absolutely disgusting how the Prime Minister can say with a straight face that the Canadian Alliance has an agenda of greed. That is ridiculous.

• (1130)

Our purpose in this place is to allow people to keep more of the money they earn. That is why we are promoting the tax proposals we are pushing today like solution 17. We are saying that people should be able to keep the huge majority of the money they make and send in enough to ensure that we have a good health care system in Canada and that we can provide for pensions and things people really value.

That is what we should be using government for, not ripping off taxpayers to push the blatant political ends of people in government. That happens all too often. I resent very much the Prime Minister saying that we have an agenda of greed when it is so clear that everything the Liberals do is calculated to take more money out of people's pockets to further their own ends.

I believe in a concept of justice that says we are entitled to what we work for and obtain honestly. That describes 90% of the people in the country. The massive majority of people in Canada work hard, are honest and are willing to pay their fair share of taxes. They do not want to pay a whole bunch of taxes for unscrupulous activities. We have seen that too often in the government. It is time for it to come to an end. People may say it is fine for me to say all this but that I should back it up and explain what I mean.

I do not know for how many months we have been pursuing the human resources minister about the boondoggle in human resources development which is obviously guilty of gross incompetence, political pork barrelling and patronage on a scale that is without precedent. I do not think we have seen anything this bad before.

Let us consider the transitional jobs fund or the Canada jobs fund. The Liberals change names to try to hide what they are doing.

If that is not one of the most obvious examples of milking taxpayers to fund political patronage, I do not know what is. Even the human resources development committee has said that this program does not seem to have any criteria. It seems to have a pot of money that allows the minister carte blanche and members across the way carte blanche to fund their ridings, their friends and the projects they personally support in an attempt to lever themselves back into power. It is disgraceful. It has reached the point where even the Liberal chair of the committee brings down a report saying that it has to come to an end and recommending breaking up the department.

The parliamentary secretary says that Bill C-32 is good because it will enhance a GST credit and do this and that. Those guys do not get it. There is a much bigger picture. There is no vision across the way. The Liberals simply ad hoc their way through parliament. It is time for some fundamental changes.

People will ask if we are really in bad shape. Yes, we are and I want to talk about it for a moment. Three weeks ago a report came down from Standard & Poor's DRI Canada which had the audacity to point out a pretty startling fact about which the government should be embarrassed.

The report pointed out that the people in the poorest U.S. state, Mississippi, have more disposable income per capita than the people of Alberta, the wealthiest Canadian province. I would think that would be something government members would be concerned about. If they want to talk about an agenda of greed, how is it that Canada, with its human and natural resources, can be in a position where the amount of money people have left over after the government is done with them is lower than that of the poorest American state, Mississippi? How did that happen? Is it right that it should happen? The money that people have left over to pay for food, shelter and clothing is diminished to the point where there is less in our wealthiest province than in the poorest American state, Mississippi.

• (1135)

That speaks volumes about who really has an agenda of greed in Canada. It is the government across the way. The only reason that happens is because of public policy decisions. The government has decided that the best approach is to tax the hide off people. Then it will decide what is good for folks. With half the income people earn and the government gets to keep, it will decide what is good for them. It will spend it for them. We see it spent on all kinds of foolish projects. We see it spent ineffectively. We see it spent on things that people do not want. We see it spent on things that are contrary to the values of the people it takes the money from in the first place.

We are in a situation today where people in Canada are seeing their standard of living eroded and eroded and eroded. I have given many speeches in this place on this point. It has a lot to do with the government's contempt for people who are entrepreneurs, who risk their life savings to start businesses and who are innovative. I believe it is contempt.

*Government Orders*

The Prime Minister talked in Germany about the superior values of the Liberal Party and how it cares more. That is a joke. It is ridiculous. As I just pointed out, we are in a situation where the government takes \$7 billion a year from people making less than \$20,000. How can it say that it cares more? If it wants to have an election on that issue, I say bring it on. Let us have a contest, an election on that. Let us let the people decide if it is compassionate and caring to take \$7 billion from people who make less \$20,000 a year.

Is it really compassionate and caring to tax people so heavily that both parents have to work, not because they want to work? According to every poll I have seen, 70% of two income families today said that if they had their druthers one parent would be at home with the children. They do not have the option.

Is it compassionate to entrench in the tax system a double standard when it comes to taxation of families? A two income family pays a lot less taxes than a single income family earning the same amount of money. That is the government's approach. It is doublespeak. It hopes that people will simply look at the sound bite and not observe what it really does. As a result, people get more and more cynical about politics, and the government wonders why fewer people come out to vote.

There will be a day of reckoning. I hope we have an election campaign on the issue of Liberal values or social values. The record of the government is reprehensible. It has done more damage than just about any government I can think of in recent memory in Canada. I do not think there has been a government that has damaged the public more.

Let us consider that over the next five years we will probably run a surplus of about \$150 billion. The government's approach is to jack up spending even higher, with more and more money going into more programs even though they have huge problems, not only in human resources development but in other departments like industry where there are billions of dollars in corporate welfare.

Let us look at the department of Indian affairs which is full of problems. I see the Minister of Indian Affairs and Northern Development is here. We send billions of dollars into Indian affairs every year, and what do we get for it? We get 70% unemployment on Indian reserves. We see suicide rates that are through the roof. There are substance abuse problems that are unbelievable. Very little money gets beyond the band council level to rank and file natives.

• (1140 )

The government will continue to drive spending through the roof. It will take more and more money from people to fund all kinds of programs that do not work. I would say that is an agenda of greed. When people take money that does not belong to them, when

they take more than their share of the pie, that is greed. That is unjust. We see it over and over again from the government.

Bill C-32 nods a bit toward things like reducing taxes, but on the other hand the government is ripping more money out of people's pockets. It gives back a little with one hand and takes more and more with the other. It is this duplicitous approach that makes people cynical.

Some people are probably wondering about Canada's position in the world after six and a half years of this approach to government. People say that the economy is moving along fairly strongly and that unemployment is down to under 7%. That is pretty good, but why is it not good enough?

I make the point that we should not be mesmerized by the recent strong growth in the economy. While we all welcome strong growth in the economy we must remember there are two types of growth. There is the type of growth that is premised on strong productivity. There is also the type of growth that is premised on a workforce that is producing more and more and generating more opportunities. Then there is the type of growth that we get by allowing our dollar to sink to ever lower values by basically cheapening ourselves to the point where we in that way attract more investment into the country. That is the approach the government has taken.

Over the last 25 years we have seen a decline in the Canadian dollar. There is no better indicator of the health of an economy than the strength of its dollar. It tells us how we are doing relative to the rest of the world, and certainly in this case relative to the United States. We measure ourselves, I think rightfully, against the United States. We used to have a superior standard of living than that country. According to just about everyone, including the government's own industry minister, our standard of living has now fallen dramatically as against that of the Americans. I encourage people to remember we are a country that is blessed with uncommon resources. We have tremendous resources, human and natural.

How is it that we have seen this decline in our standard of living and this decline in our dollar? It has a lot to do with the sanguine approach of Liberal governments over the last many years and their rah-rah attitude: "We are number one in the world. We will spend our way out of this problem. Let us wrap ourselves in the flag. The other guys are bad because they want to cut taxes". We have seen that over and over and over again.

The result is that investors see through all that stuff and ask what is really being done to keep the economy competitive. They look at the statistics. They see that our disposable income continues to fall relative to that of the United States. Now, as I pointed out, our wealthiest province has lower after tax income than the poorest American state. They look at things like our productivity. What is happening with Canadian productivity? We know that it has improved a bit lately. However we also know that it is falling further and further behind that of the United States.



*Government Orders*

We must remember there is only an imaginary line between Canada and the United States and its public policy differences. That is what explains why the U.S. economy is doing so much better than ours. Why is it that in Canada today manufacturers and people in the industrial sector are investing about 30% less on equipment and machinery than they are in the United States? Why is it that we are in a situation today where we have much less spending on research and development in Canada than in the United States? Why is it that we are in a situation where the new economy in Canada is producing fewer opportunities for people in terms of high tech start-ups?

• (1145)

One of the striking facts of the last year was that in Canada there were exactly four initial public offerings for Internet companies on the Toronto Stock Exchange. At the same time in the United States there were 165. It has 10 times the population. I could understand if it had 40, 45 or even 50 more IPOs, but there were 165 IPOs in the United States.

The situation is we are falling behind in that new wealth creating sector that is symbolized by the Internet. Canadians are leaving the country in droves to go to the United States. A recent report from Statistics Canada said that many of the people who we educate here are going to the United States, particularly in the medical field. It talked about doctors and nurses leaving in droves.

The government uses the soothing balm of saying yes, but people are coming in from outside Canada to fill some of those slots. This is where its thinking is so short term and superficial. Instead of replacing those people with people who in some cases are fleeing horrible regimes elsewhere, would it not be better if we were a net winner of brain gain instead of suffering from brain drain, where we are losing all those people in the first place?

How much sense does it make to educate people at huge expense to the taxpayers only to see them go to the United States and other countries around the world? It is crazy and ridiculous that the government says it is not a problem, do not worry about it. It speaks to the sanguine, carefree and even careless attitude of the government.

We could point to so many other things to demonstrate that the government is reckless and careless when it comes to managing the economy. There is the falling dollar and falling productivity relative to the U.S., the falling standard of living and the output per capita.

One of the most amazing statistics I have come across is the one that indicates our output per capita between 1988 and 1998. Canada's output per capita over that 10 year period grew by 5%. What is the significance of that? What is output per capita?

Output per capita is how much on average each person produces for the economy. Why is that important? That is what determines

our standard of living. The more we produce per person in an economy, the better the standard of living, the more money people will have, the more money people can use to look after things that are important to them and their families, the more money ultimately that people pay in taxes to the government to fund things that people care about, such as health care and higher education, those sorts of things.

During that 10 year period ours grew by 5%. That is all. In the same period, France saw its standard of living, its output per capita, grow three times faster. Most people would say that France really does not strike them as a country that is at the leading edge when it comes to wealth production but it grew three times faster than Canada.

Australia grew four times faster. The U.S. grew four times faster. Norway grew six times faster. And Ireland? It grew 18 times faster than Canada. Why was that? Is it because Ireland has more resources than Canada? I do not think so. Is it because it is in a situation where it has much better educated people? Hardly. I think we are fifth in the world for spending on education.

We produce some of the best educated people in the world. The fact that we are so often raided by the United States and other countries to pick those people off is a testament to that. What is the difference? Why are we falling so far behind relative to the rest of the world?

• (1150)

One of the big reasons is that in Canada the taxes are way too high. Taxes basically shut down initiative. They send a message to people who are really ambitious or who are prepared to risk a lot of money to get their ideas off the ground, the government tells them to get out of here, that they are not wanted. People will be punished for the crime of trying to create jobs and produce new products and come up with new ideas. People are fleeing in droves.

That is why our output per capita is so pale compared to that of our trading partners around the world. That has to turn around.

The Prime Minister uses a balm and medicates himself with such slogans as the Canadian Alliance has an agenda of greed, when it is precisely the government that has the agenda of greed. Nothing will get better as long as those guys are where they are. Things have to turn around. The government has to be replaced. The Liberals have to be thrown out.

People have to get the message that the Canadian Alliance will allow people to keep more of the money they earn. That is not greed; it is justice. That is being a government that is respectful of the work, effort and risk people take simply to make a living, to try to get by.

It is time to throw off some of the ridiculous slogans we hear from the Prime Minister and really look at the record. How do we do that? How do we turn things around?

*Government Orders*

The first thing is to have some honest discussion with people. We do not try to medicate the public with slogans about Canada being number one and attack people who have other ideas simply because he chooses not to agree with them. We sit down and address the hard issues.

What are the hard issues? We have to ask how good a job is being done with the money the public already sends in. Is a good job being done? The answer is no. The government is doing a lousy job. Health care is broken. Human resources is broken. Indian affairs is broken. Transport is broken. Defence is broken. Justice is broken. They all have to be fixed. Let us go in there, take the money that is currently being spent and use it more wisely so that people get good results for the money that is being spent. That is the first thing.

Second, what do we do with the \$150 billion in surpluses that will come our way over the next five years? The first thing is to recognize that Canadians are among the highest taxed people in the western world. Income taxes are around 50% higher than the G-7 average. Those taxes have to come down.

The people at the low end who are taxed to the point where they can hardly feed themselves should not be paying taxes. People at the middle should get a huge tax break. People at the upper end should get a big tax break too because we want them here. We want to keep them here. We do not want to drive them out. We want them here. They will pay taxes and put people to work. But the government loves to engage in the demagoguery that suggests if people at the high end of the income scale get some kind of tax break, it is bad.

I would submit that the real agenda of greed is the one that comes from the government. It seems to want to tax every loose penny it can find in everybody's pockets.

**Hon. Lorne Nystrom:** Except the Bronfmans.

**Mr. Monte Solberg:** "Except the Bronfmans", as my friend in the NDP said, but it goes beyond that. It goes beyond that because what we see is a government that not only taxes every cent it can find, but then it sends the money to all its friends in what I hope is a vain attempt to lever itself back into power in the next election campaign. I hope Canadians throw out the Liberals for that insult.

It is time to put an end to that crazy way of doing politics. Let us leave that money in people's pockets. Let us show people the respect they deserve. Let us allow them to maintain the dignity that goes with being able to feed our own families. That is something people should ask for and expect as a bare minimum.

How would we do it? The Canadian Alliance says to go through the envelope of spending that currently exists. Get rid of the pork barrelling and patronage and put it into things that people care

about, such as higher education and health care. Let us fix the military. Let us do something with the justice system. Let us get the bare essentials fixed.

• (1155 )

Let us give people a big tax break. We are advocating a tax plan which would see the basic and merit exemptions pushed up to \$10,000 each and a \$3,000 per child deduction for every family in Canada with children 16 years of age and under. Right off the bat that would mean a family of four would have \$26,000 of tax exempt income.

After that we would tax people at a rate of only 17%. Everyone would be taxed at 17%. That is it. People would say, "I finally get the sense that maybe I am now being taxed fairly. I am being allowed to keep the majority of my money".

That would have a wonderful impact when it comes to attracting investment and talent back into Canada. By virtue of cutting the top rates from 29% and 26% down to 17%, the capital gains rate would fall down to around 20%. That would be the total rate, 20%, federal and provincial combined. This would be a wonderful incentive for people to invest.

It would mean that we would catapult ahead of the United States, Ireland, the U.K. and Japan. We would start to attract investment and put more people back to work.

Who suffers when we have an unemployment rate of almost 7%? Is it people who have skills? I do not think so. Is it people who have education, who come from a good background? No, it is people at the low end.

The Prime Minister wants to talk about values. Why does he not put in place an investment climate which would ensure that business would come to Canada to the point where so many companies would be looking to hire people that people without skills and education would be sought after? Why is Canada in a situation today where for every job there are three people chasing after it? Why not reverse that? Why not have three jobs chasing every person?

One of the remarkable things about what has happened in the U.S. is the economy is so hot there that many companies cannot find workers so they have set up in what are traditionally known as ghettos. They said to the people, "We know you do not have skills. We know you do not have an education. Some of you have been on welfare your whole lives. But we are coming to your community because we need workers. We will give you on the job training. We will give you skills. We will give you opportunity". They get experience and contacts. And they get the dignity that goes with being able to look after themselves and to buy food for their families.

*Government Orders*

That is the great benefit of an economy which moves at its capacity. The government seems to think Canada's economy is wonderful if unemployment is barely under 7%. We have to do way better than that if we want to help all Canadians. The government is not doing it.

That is what solution 17 would do. It would get the economy moving rapidly and would allow everyone to have a chance to have a job, and the opportunities and dignity which go with it.

When the parliamentary secretary gave his speech on Bill C-32, he said that we must pass this right away so people could get enhanced GST credits before the summer. That is nice, but would it not be better to have opportunities and jobs that pay good wages instead?

That is what is happening in the U.S. I hate to keep referring to the U.S., but we used to be on par with it when it came to the standard of living. I do not understand why the government wants to play second fiddle to the U.S. Why does it think that is good?

We hear the proud nationalism coming from the other side, but the Liberals are content to allow the Americans to eat our lunch. Well I am not and the Canadian Alliance is not. We think that investment belongs in Canada. Those jobs belong in Canada. People need more than a GST credit cheque. They need jobs. They need the disposable income and the opportunities.

We are tired of the middling busy work approach from across the way. It is time for a fundamental change in Canada, a change which will allow us to shoot to the front of the pack instead of falling further and further behind, as we have done for the last 20 years. That is just not good enough. It is time to turn it around.

• (1200)

I will conclude by saying that if there is anybody in this place who is guilty of an agenda of greed, it is the Prime Minister and this government. They show absolutely no compunction about taking more and more money out of people's pockets and spending it on things that people do not care about or, in some cases, things that I think are unscrupulous, things that benefit the Liberals to their political ends. That is an agenda of greed. That is what has to come to an end.

I urge people across the country who are watching this to help us bring an end to that by throwing the government out. We have an election coming in the next year. Let us get rid of that government. Let us put in place a government that respects the hard work of the taxpayers and is willing to allow them to keep that money so that they can maintain their dignity and look after their own families.

Let us put in place a government that will stay out of the lives of taxpayers, that will quit interfering in their lives and allow them to

raise their children as they see fit. That is what the Canadian Alliance wants. The only way to make it happen is to elect an Alliance government and get rid of the scoundrels across the way.

[*Translation*]

**Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ):** Mr. Speaker, it is my pleasure to speak to the House on Bill C-32.

I remind our viewers that this is an act to implement the budget of February 28, which we are to pass so the government may make certain expenditures.

I will say right off that the budget the Minister of Finance presented on February 28 provided for surpluses of some \$95.5 billion for the next five years.

Logically we should be delighted. We should say "If the government is accumulating surpluses for the next five years, we are a long way from the budget cuts that were made to eliminate the deficit. We are a long way from the situation in which we had a deficit of \$42 billion during the years of the Conservative government under Mr. Mulroney". Initially, this looks like good news.

However, I have to point out, with all due respect, that it does not represent good news if indeed the government will be raking in some \$95 billion in the coming five years—it may in fact represent a problem.

Before becoming an MP, I had the opportunity to be a city councillor. I am a resident of Boischatel on the côte de Beauport and I had the opportunity of sitting on the municipal council for seven years. I will draw an analogy, and it is very relevant to the situation we are in today.

I recall that when I served as councillor between 1987 and 1993 until my election as the member for Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans we had budget surpluses in certain years. I can still see the mayor of the time busting his britches and saying "We were good managers; we have a surplus". I am sorry, but what I am saying applies to the Minister of Finance as well. If a government accumulates surpluses shamelessly, it means that it is accumulating them because it is overtaxing.

• (1205)

A government should tax according to its needs, rather than giving way, as this Liberal government has done, to an impulse to overtax and to reduce the income of certain classes of society. We will come back to this, but this is the point I wished to make: a \$95 billion surplus over the next five years is hardly good news. It means that this government is cutting too deep and taxing too heavily.

*Government Orders*

If this government were realistic, it would set taxes at a reasonable level, so that taxpayers could breathe a little easier. They will not breathe any easier with the small tax cuts expected up until 2004. On the contrary, Canadians are still heavily taxed by international standards.

I have this to say to the Minister of Finance, the member for LaSalle—Émard, “If you have a \$95 billion surplus, if you think you are so great, you should be able to do something about the real problems”.

I want to talk about a real problem, one which continues to drag on while this government, as usual, does nothing—I am referring to the increase in the price of gas. The present situation in Canada, particularly in Quebec, is completely unacceptable.

Let us not forget that in addition to GST this government collects an excise tax on every litre of gas sold. This excise tax is 10 cents per litre of gas at the pump, and 4 cents per litre of diesel fuel. If this government has a \$95 billion surplus, if it is crowing about how wonderful it is, let it immediately suspend the excise tax, in order to give taxpayers and consumers a little breathing space and slow down the inflationary trend resulting from recent increases in the price of gas.

As the Bloc Québécois transport critic, I am regularly in touch with trucking associations, owners of bus companies, and owners of school and other buses. These people, particularly the truckers, are all telling us that they have no choice but to pass on to consumers the increase in the price of gas.

At present, when young couples building new homes order landfill, or topsoil for their yards so as to start a lawn, the trucker will have no choice but to pass these costs on to them.

The intercity carriers, who are barely making a profit at present, will have no choice but to pass these costs on to the consumer.

Another example would be companies shipping goods by road. If shipping costs rise, the costs of the goods will rise as well. This shows the whole inflationist spiral the recent rise in gas prices has triggered.

Why is the Bloc Québécois calling for immediate suspension of this tax? To give companies a bit of a chance to catch their breath until prices get back to a reasonable level.

• (1210)

Every member in this House, as well as those watching us at home, knows that the average cost of a litre of gasoline at the pump in Quebec was about 54.9 cents in February 1999.

Everyone finds gas prices far too high. Some people have made what in my opinion is a logical and normal choice: to use public transportation. In major cities, one sees growing numbers of people on in-line skates, or taking the bus or subway. There are people who have decided that, because of the atmospheric pollution caused by automobile emissions, they are going to do their part by choosing not to use their cars to get to work.

That is fine, but there are people who have no choice. Those who are faced with these gasoline price increases are telling us “It makes no sense, we are getting poorer by going to work”.

In February 1999, when the price at the pump was 54.9 cents a litre, no one was saying that it was too much. It had reached an acceptable level, given inflation and people’s incomes.

This morning I left my riding of Beauport to come here and I stopped in Montreal, where a litre of gas costs 84.9 cents. There is a huge difference, 30 cents a litre, between the price of 54 cents in February 1999 and today’s price of 84 cents, in early June 2000.

This government claims that it is compassionate and that it respects consumers. It keeps repeating that it listens to Canadians, but which group of Canadians does it listen to? It listens to the big contributors to the Liberal Party.

If this government is listening to ordinary people, it should decide to immediately remove the excise tax, which accounts for 10 cents per litre.

The Bloc Québécois raised another point regarding gasoline prices, namely the government’s laxness regarding competition. This government is not doing anything to promote competition. Canada is the only country, relative to the United States, that lets companies be refiners, distributors and retailers at the same time.

Whether these companies are called Petro-Canada, Esso or Irving, they all have their own refineries. They get a margin of profit at the refinery. They send this gasoline to their own distributors and therefore get the profit from the distribution. Then they send the distributors’ gasoline to the retailers. They have their own network of service stations—and so they rake in more profit.

Who ends up paying? Who pays the totally unacceptable gasoline prices, like the 84.9 cents a litre they are paying in the Montreal region? Does anyone in this House think this is acceptable?

**An hon. member:** No.

**Mr. Michel Guimond:** This allows the big companies to report record profits. Things are not going well. The price of gasoline has reached 84 cents a litre, and the companies are announcing record profits. In addition to making record profits, the companies are

announcing massive layoffs. In addition to making more money, they are going to get rid of people so they can make even more money.

Is that acceptable in a free and democratic society such as Canada? Absolutely not. The Minister of Industry will say “But this is not our fault. This is a worldwide phenomenon with the prices of OPEC, with the Arabs, Kuwait, the producing countries and Venezuela”.

• (1215)

This is why we in the Bloc Québécois are saying that it is time to do some housekeeping. It is time to look and see if there is perhaps a bit of incest in the relations among the companies. We should ask the Competition Bureau to do this, but, in the meantime, the government ought to free us, by cutting the excise tax by 10 cents a litre now, to provide the time necessary to look into the situation.

In the House last Thursday or Friday, the Minister of Finance said that the Minister of Industry had commissioned a study. Do people realize when this study will be made public? The Minister of Industry has ordered that it be released by the end of the year—December 31, 2000.

The Minister of Finance promised us wonderful tax cuts. “My February 28, 2000 budget,” he proudly told us “contains tax cuts for 2001, 2002, 2003 and 2004”. Right now, with the recent increase in the price of gasoline and the price of energy in general, we can see that, if something is not done immediately, any gains from these tax cuts will be completely wiped out for certain categories of the public.

This is totally unacceptable. The left hand is promising tax cuts and the right hand—not that there is one—is doing nothing. With the increase in the price of gasoline and energy, the upshot is that any gains from these tax cuts will be completely wiped out until 2004.

There is a lot of talk about gasoline. This inflationary spiral will have an impact on many industries. I mentioned the transportation sector, so food transported by truck, but there are a number of industries using petroleum-based products that will have to pass on price hikes to consumers. I will give an example.

I and the members for Témiscamingue, Lotbinière and Sherbrooke, all of us representing the Bloc Québécois, visited 21 ridings in Quebec. We travelled to all regions and held press conferences, offering information specific to each of the regions we visited. We were able to note how much change there had been in prices at the pump between February 1999 and when we made our tour in March and April 2000.

At some service stations we held press conferences. The press conference I particularly remember, however, was the one at a

### *Government Orders*

greenhouse in Rivière-des-Mille-Îles. One tends to forget that the entire greenhouse industry is heavily dependent on energy costs.

This is the time when we are preparing our yards and putting in our summer plantings, and the nursery owner, who grows potted plants in his greenhouses, told us what the increase in fuel oil meant to his costs. This was a small grower. At the present time, the major producers have the opportunity to heat with natural gas, but operators of small or medium businesses who are trying to earn a living do not have the means to convert to natural gas. They are still dependent on fuel oil, the price of which has risen in leaps and bounds over the past year.

This greenhouse operator told us “I have two choices. Either I keep prices at last year’s level, and assume the increased cost of fuel oil, or I try to pass the increase on to the customer. If I do that, I have to compete with the major American chains, which have the opportunity of buying in bulk, so they can really slash their prices. There is no certainty that I will be able to make it through this coming summer”.

• (1220)

The rise in heating oil prices was mentioned in his case, but there is also a rise in the cost of styrofoam containers. Styrofoam is a petroleum based product. Styrofoam suppliers, such as Cascade in the Drummondville region or in the Kingsey Falls region, which produce styrofoam flats and plastics of all kinds, polyethylenes, will be hit with an unavoidable price increase. Farm producers will either absorb it or pass it on to consumers. The wheel keeps turning, and the same consumers, the same taxpayers, take the blow. This government, with its surplus of \$95 billion, should do something about the increase in the price of gasoline.

A second aspect I would like to cover, which advanced somewhat last week, is Bill C-205, which I introduced in order to enable mechanics to deduct the cost of their tools. The debate has gone on in this House for some ten years. It involves a job category, a category of employees, vehicle technicians, who earn on average \$29,000 a year.

No doubt, Mr. Speaker, you have a car as I do and when you go to a service station or to a dealer’s you can see how vehicle technicians, more commonly known as mechanics, are members of a category of employees that work very hard. Sometimes they have to work in very difficult conditions. Their work is very physically demanding. Most of the time they work on concrete floors, in high humidity areas, under vehicles from which water, oil and slush drip in their faces in the middle of winter. These people work in areas where oil, dust, noise and toxic fumes are the norm.

I tabled Bill C-205 because some people told me about this issue. Let me say from the outset that I am not an expert on automobiles. I am not a car buff. I have a hard time just putting oil in my car engine, but luckily I have a good mechanic who does it for me. Some colleagues have asked me “Why are you tabling this bill? Is

*Government Orders*

your father or your brother a mechanic?" Not at all. It is simply a matter of common sense.

During an election campaign, or whenever we try to be receptive to people's concerns, we talk to ordinary people, to workers. We do not only talk to millionaires. On a typical day, a member of parliament is likely to meet many more hard-working, low-income people than he or she will meet millionaires or billionaires.

It is through these encounters that I was made aware of this issue. Workers in the automobile industry told me "It does not make sense; other categories of workers, including musicians, chainsaw operators and dentists, can deduct the cost of the tools required in their employment".

This is why I tabled Bill C-205 which, incidentally, was voted on on Tuesday. I want to take this opportunity to thank hon. members and to congratulate them for doing so. There were 229 members in the House and 218 of them, from all parties, voted in favour of a bill introduced by a Bloc Québécois member. I said from the outset that this was a bill that transcended party lines. This was not a debate between federalists and sovereignists; it was not a debate about Quebec versus the rest of Canada. It was simply a matter of common sense and fairness with respect to people whose work is physically very demanding.

• (1225)

I thank the 217 colleagues who voted with me to get this bill through second reading stage.

Mr. Speaker, you are a seasoned parliamentarian, as well as an expert in constitutional law. You know that a bill from a private member, an opposition member to boot, rarely makes it past second reading.

I deplore that 11 Liberal members voted against the bill, but they will have to live with their decision. Votes on private members' bills are free votes, with members voting according to their conscience.

When these 11 Liberal members are visiting service stations and automobile concessions during the next election campaign, I hope that they are given a polite reception by the mechanics, who work very hard in these establishments, but they will have to explain to these mechanics in person why they voted against my Bill C-205. They will have to live with their decision. That is not my problem.

This bill will have to be considered in the Standing Committee on Finance before it can come back to the House at third reading. I hope that the next election, which is expected this fall, will not kill this bill on the order paper. I hope that the government will give the bill top priority so that it can be passed before the next election.

The four year legal mandate is up on June 2, 2001. Last Friday it had only been three years since we were elected. Let us keep in

mind that, in Canada, the legal, normal and usual mandate is four years and that, under the Canadian Constitution, up to five years are allowed before an election is called.

It is true that there is a tax cost related to this bill to allow mechanics to deduct the cost of their tools. It is true that this is going to cost the government money, but the Minister of Finance is bragging of having a \$95 billion surplus over the next five years. I believe he has the financial and budgetary possibilities of accepting this bill, which would enable automobile mechanics to finally be recognized for their true value and to be allowed to deduct the cost of the tools required for their work.

Let us not forget that my purpose in tabling this bill was to help young men and women who are just finishing school. There are, unfortunately, not many young women working as mechanics but I believe that, as our society changes, it will be less and less a male-only trade, and we will see more and more girls choosing this profession.

Another purpose of this bill was to give young people the chance of getting a job. When a young person finishes school, he usually has debts because of his studies. He then goes to a car dealer or a garage looking for work and the boss is going to ask him, for a certainty, "Do you have your tools?"

We know that the most basic tool set runs between \$3,000 and \$5,000. There is no certainty that a young person just finishing school, with debts to begin with, is going to have that kind of money, and there is also no certainty that his parents will be in a position to help him either. Any set of tools that are the least bit specialized can run up to \$30,000, \$35,000 or \$40,000.

The possibility of deducting the cost of tools would also be a recognition by this government of its desire to really give young people a chance and the opportunity to find work. I think the Minister of Finance ought to give some thought to this.

• (1230)

Another private member's bill I introduced, which may involve some financial commitment by the government, concerns employment insurance benefits. Over the years, the government has accumulated surpluses in the employment insurance fund.

We in the Bloc Québécois contend that, since 1993, this surplus has not belonged to the government, but rather to the employees who contribute to employment insurance every week from their pay cheques and to their employers, who also pay employment insurance contributions, the employer's share.

We consider that the surplus of over \$31 billion in the employment insurance fund—and I am sure that there is more than that today—belongs to the workers, and thus the unemployed, and to

*Government Orders*

the employers. The employer's contribution to unemployment insurance should be reduced.

During the last break, I visited many businesses in the Beauport industrial park in my riding. People said to me "Mr. Guimond, we could create jobs if we could reduce certain payroll costs, employment insurance contributions, for example".

When I took my degree in industrial relations, we talked about fringe benefits. Today, we call them benefits. Let me say in passing that these benefits are less and less fringe benefits, a name that is no longer acceptable. Now we talk about benefits.

Today, the employer pays between 30% and 35% of benefits. An employee hired today costs 35 cents for every dollar the employer pays in salary, even before he has worked.

Many SMB owners say "Lower the payroll taxes, lower the contributions to employment insurance, and we will create jobs". This is all the more appropriate in the context of today's budget surplus of \$31 billion.

This is why I introduced my private member's bill and I can hardly wait for it to be debated in this House. I can hardly wait to hear what all my colleagues from all parties on both sides of the House have to say on the matter. I want students exempted from having to pay employment insurance contributions, to have the option of not paying them.

When students do not work enough to qualify for employment insurance, why should they have to contribute if they hold a summer job? We currently have students here. They will begin to work soon, or they did at the end of April or in early May. These students will pay employment insurance contributions. In September, when they go back to school, they will not be able to get employment insurance benefits, because they will be full time students. Since they will not be able to look for full time work either, they will not qualify for employment insurance.

The bill I tabled is designed to allow these students, if they think that they will not work long enough to qualify for employment insurance or that they will have too many hours in class in September, to be exempted from having to contribute to the EI program. Such contributions are an indirect tax.

If these young people have more money available when they are working, it indirectly alleviates their parents' burden. If, instead of getting \$195 net per week, a student takes home \$210 or \$212, he will have more money in his pockets and be more financially independent.

• (1235)

This in turn means that the parents will not have to shell out as much money for a bus pass or a pair of sneakers when classes

resume in September. This is the reasoning behind the bill. I do hope that the government, which boasts about a \$95.5 billion budget surplus over the next five years, will listen to the public, particularly since the Prime Minister plans to call an election soon.

My 40 minutes are running out quickly. I could have talked about the lack of measures in the February 28, 2000, budget to truly fight poverty. I cannot understand the Minister of Finance, who claims to sympathize with the poor and to understand them. Maybe that is true. Even though he has led a very sheltered life, even though we know he has a bank account big enough to buy out most members here, to buy us all out, he tells us he understands the poor.

Let us not forget that the Minister of Finance is the former president and owner of Canada Steamship Lines, one of the largest shipping companies. He is therefore a prosperous shipowner, a fellow with money coming out his ears, whose company, Canada Steamship Lines, registers its boats abroad in tax havens and does not hire many Canadian sailors so that it can pay the lowest wages possible.

The Minister of Finance says he understands the poor and is concerned about their situation. There must be poor people living in LaSalle, in his riding of LaSalle—Émard. Is there anyone listening who lives in LaSalle or Ville-Émard who thinks that their member of parliament, the Minister of Finance, is someone who understands and is in touch with the poor? Is he someone who makes a practice of visiting soup kitchens and meeting with the poor, the disadvantaged and those who beg for money in Montreal? Does he give them a quarter when he takes a walk along rue Sainte-Catherine? Does this describe the Minister of Finance? No. He is insensitive.

The best proof is that his February 28, 2000 budget contained nothing for the poor. He tried to throw together a few little programs to once again boost this government's visibility. This government has an obsession with visibility. It wants to put the maple leaf everywhere. It even put it on the front of Via Rail trains. I do not know how many thousands of dollars it cost taxpayers to put a maple leaf on the front of Via Rail trains so that moose, caribou and deer watching the train go through the Gaspé park toward the town can be sure that it is really a federal government train. Just to be sure, a maple leaf was added to the front of Via Rail trains. This government has an obsession with visibility.

I believe that, if this government has any sensitivity to the needs of the people of Canada and of Quebec, it should think twice and ensure that there are measures to allow the ordinary people, the members of the middle class, the hard working people who punch the clock in factories and other businesses, those who are supervised by others, those who do not make enough to make ends meet, those who are worried about losing their jobs, those whose have children in Cegep who want to be like everyone else and have things like everyone else, a bike for instance, to be able to benefit from concrete taxation measures.

*Government Orders*

This is today's reality. Canadian and Quebec society is made up of several different categories of people. I think it is regrettable that this government pays more attention to the powerful. When we realize that the six biggest banks in Canada have recorded a profit of \$8 billion in 1999, can this government be one that listens to those who have little? Can we believe that this government is one that listens to the middle class, when we see the six major banks making \$8 billion in profits?

• (1240)

While the big banks like Canadian Imperial Bank of Commerce and Toronto Dominion are announcing record profits for 1999—they have never made so much money—2,500 jobs are being cut, branches are being closed, there is no more service. People are being told to use the automatic teller, which will cut down on the number of counter staff needed.

In the branches, the tellers are being forced to tell us “Use the automatic tellers. There is no charge for it”. That is what they are being made to do. I said so the other day to my teller at the National Bank. I said “Do you realize you are working to do yourself out of a job? You encourage me to pay my hydro bill at the banking machine in order to save \$1.25. You are doing yourself out of a job”. She said “Mr. Guimond, we have been instructed to direct our clients to the banking machine”.

Can we say we are in a better, more developed, society when we just do business with banking machines? What about humanity's place in society? Where will humans be taken into account once and for all? When are we, as members, going to take those who sent us here into account? They are the public.

This fall we may be going back to the people. What do they expect of us? We must represent them worthily and listen to their needs and concerns.

I hope that the 301 members of the House of Commons will be motivated by one thing, not greed, not power or latching on to it, but the defence honestly and to the best of their ability of the people they represent.

[*English*]

**Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP):** Mr. Speaker, at the outset I want to say that I will be splitting my time with my colleague from Bras d'Or—Cape Breton.

I want to say a few words on the bill before us today, the budget implementation act, Bill C-32. In many ways I suppose this is the wind up of the budget debate in the House that started back in February. It actually started before that with the finance committee holding hearings around the country last fall, taking ideas to the Department of Finance and giving Canadians the opportunity to have a platform to express their ideas of what should go into the budget.

The great debate really was what to do with the so called fiscal dividend. The prediction made by the minister in London last fall was that we would have a surplus of around \$10 billion this fiscal year and \$95 billion to \$100 billion over a five year period. Since then we have had revisions: this was even too conservative; the surplus would be even higher; and the flexibility even greater than that in terms of the economy that is going pretty well full blast across the country.

The debate is about what we do with the money. We hear from the Reform Party members of course, who basically want to spend all the money on tax cuts. The Canadian people are saying that a tax cut is about their third, fourth or fifth priority. What Canadians have said to us as we toured around the country and in poll after poll is that the main thing they want is to reinvest the money in the Canadian people, particularly in the health care and education systems for our future and the future of our kids. That is where the Canadian people want to go.

We are seeing great opposition to that, not just from the Alliance Party but from the Liberals across the way. The parliamentary secretary knows that the Liberals have cut back on spending on health care by more money than any Conservative government has done in the history of this country. They have cut back on health care by billions and billions of dollars, to the point where the federal government is now paying, in terms of cash, 13 cents or 14 cents on the dollar compared to 50 cents on the dollar some 20 or 30 years ago when medicare was introduced in the country.

After the pushing and prodding by the CCF and the NDP, the Pearson government introduced medicare back in the 1960s. The deal at that time was that the federal government paid 50% and the provinces paid 50%. Under the current Liberal regime, the Liberal government pays 13 cents or 14 cents on the dollar in terms of cash for health care. That is why there is a crisis in health care from one part of Canada to the other.

• (1245)

It is the reason we are now being threatened with bill 11 in Alberta and the opening of the floodgates to a private health care system that would operate alongside a public health care system. In other words, it would be two tier American style health care as a result of a Liberal government not putting enough money into health care in Canada.

That is the major priority of the Canadian people in poll after poll and in calls to our offices, e-mails and faxes. When we talk to people on the street, they want more money in health care. They want to keep a single payer health system, a public health system. We do not want American style health care in Canada. That is the way we will go if we do not persuade the government to change its ways and put more money into health care. The money is there. It is not as if the money was not there like four or five years ago. The cash is there and it is a matter of what to do with this priority.



*Government Orders*

We are hearing a lot about education from young people and from people in general. They want more federal funds going into post-secondary education and training to prepare people for the new economy. I suggest that knowledge is power and extremely important in terms of building a strong economy for the future. That is the way we should be going in terms of more federal tax dollars going into educating and training people, building a strong economy, and building skills so we can be competitive with the rest of the world in the future.

These should be the two big priorities of the government across the way, but what does the government do? It put more money into cutting taxes in the last budget than it did into health care because it is afraid of the Reform Party, the so-called alliance party which keeps pushing the tax cut issue.

I think we should mention a word or two about the alliance reform party. It is now advocating a 17% flat tax across the board. Regardless of how wealthy we are, we would pay 17% in taxes. On first blush that might sound pretty attractive to some people. Then we find out that for people making \$30,000 a year their tax cut would be \$488. For people making \$100,000 a year, their tax cut would be \$7,988. For very wealthy people making \$250,000 a year, their tax cut would be \$25,988. People making that kind of money should be paying more.

We have historically had a progressive tax system. Currently the system has three different tax rates: 17%, 26% and 29%. The middle rate will be reduced gradually from 26% to 23%. That is progressivity: 17%, 26% and 29%.

When the very same conservatives that now call themselves the alliance reform party were in power, they made the tax system less progressive. There used to be seven or eight different tax brackets back in the 1970s and early 1980s. Now they want to eliminate progressivity altogether. A millionaire will get a huge tax cut. One should vote for the Reform Party if one is a millionaire.

One of the leadership candidates who is an extremist in more ways than one, Stockwell Day, has been pushing the idea of the flat tax and helping the rich for the last year or so. He is not just an extremist in that regard. He is an extremist in all kinds of social conservative ideas as well in terms of intolerance.

That is not the way Canadian people want to go. Canadian people want a progressive tax system. They want to reduce taxes for low and middle income people. They still want enough tax money from those who can afford to pay taxes to invest in health care, education, farmers, the fisheries and the basic industries that provide a job and livelihood for each and every Canadian. That is the way we should go.

It is also interesting how the government failed to eliminate some the loopholes in the tax system. On the weekend I read with

interest an article in the *Ottawa Citizen* of Saturday, June 3, headlined "Taxman ordered to justify \$2B deal". There was the ruling of a judge in a court case on Friday. The Federal Court of Appeal ruled that George Harris, a Winnipeg activist, could take Revenue Canada to court to contest the tax collector's decision to allow \$2 billion in family assets, believed to be those of the Bronfman family, to be transferred out of the country and the capital gains to be transferred out of the country tax free. This was a ruling back in 1991 which did not come to light until 1996. The government promised legislation, but the government has not really acted upon the promise to bring in legislation to ensure this kind of thing does not happen.

• (1250)

According to the *Ottawa Citizen* and the information in the courts, the Bronfman family transferred assets worth \$2 billion, I gather stocks in particular, from Canada to the United States in 1991. The capital gains on those stocks were about \$700 million. Some officials in the Department of National Revenue, in a secret meeting where no minutes were kept according to the court documents, decided that the Bronfman family did not have to pay tax on that \$700 million of capital gains.

Where are the priorities of the government? It will tax the ordinary citizen who is making \$10,000 or \$20,000 a year. If that person fails to pay taxes he will get a tax notice. He will be penalized and will have interest added to the tax owed. The government will go after him hook, line and sinker until that tax is paid. One could be a widowed granny and the government will go after her, but the Bronfman family with \$700 million in capital gains paid not one penny in tax.

Is that fair? Is that just? Is it a true, just and fair democratic society that has a system which is so unfair and so unjust?

I conclude by saying that the Liberals have let this happen. The reform party alliance would make it go even faster. Just this morning its finance critic said he wanted a tax reduction for the wealthy, for the rich. Even my friend from Calgary is hanging his head in shame when he hears those words. The wealthy and the rich, the Pocklingtons and the Bronfmans of the world, would get a tax cut from the reform party alliance.

That is not where the Canadian people stand. The grassroots people say they want tax fairness, tax justice and equality. They want money in health care and money in education to build a strong economy.

**Mr. Rob Anders (Calgary West, Canadian Alliance):** Madam Speaker, 22 times since the Liberals were elected in 1993 they have raised personal taxes.

Did they raise taxes once for combat bras? Did they raise taxes twice for sex changes for soldiers? Did they raise taxes three times

*Government Orders*

so that they could allow the Bronfmans an easy out? Did they raise taxes four times so that they could pay for the fountains in Shawinigan? Did they raise taxes five times so that they could fund dumb blonde joke books?

The list goes on. I would like my colleague to respond and let us know why the Liberals raised taxes so many times.

**Hon. Lorne Nystrom:** Madam Speaker, I am not a Liberal so I guess the member should ask that question of Liberals across the way.

I suppose one reason they raised taxes so often was that they wanted to spend \$60 million on an unelected Senate. I know my friend is very interested in the Senate issue in terms of trying to abolish the unelected Senate. We may disagree on what it should be replaced with, but certainly spending \$60 million on an unelected Senate is a waste of taxpayer money.

There are all kinds of other waste as well. The member enumerated some of them. I am aware of some of the ones he has talked about, but I do not know about sex changes for soldiers. Maybe he could elaborate on that, but I certainly know about the fountains in Shawinigan and all kinds of other money wasted across the country.

The one I referred to specifically was letting the Bronfman family get away with not paying a penny in taxes on the \$700 million in capital gains. The member makes a very good point. If we do not tax certain things then other people will be taxed to fill the gap. If the Bronfmans are not taxed on \$700 million worth of capital gains, who will pay the bill? It will be ordinary working people in British Columbia, Saskatchewan or anywhere else in the country. They then pay the bill.

That gets back to my original point that we need a fair tax system based on the ability to pay. It should be a progressive tax system, not a flat tax system because the wealthy people get away with a better deal when everybody pays the same tax rate. A progressive tax system based on the ability to pay is the way to go, with tax reductions for middle income people, with a lot higher exemption that would exempt more and more poor people, and with tax credits for children so that we have a children's agenda to invest in the future.

• (1255)

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Madam Speaker, one of the great platforms of the New Democratic Party is the reduction of the dreaded GST and in Atlantic Canada the HST. Could my hon. colleague from Regina elaborate on what a reduction of the GST would do for all Canadians?

**Hon. Lorne Nystrom:** Madam Speaker, a reduction in the GST would be the best way to reduce taxes in a very fair and balanced way for ordinary Canadians. One point in the GST means about \$3 billion in terms of total government revenue.

In essence the GST is a flat tax. Everyone pays the same tax. When someone gets a haircut one pays 7% whether it is wealthy person, a poor person or a middle income person. Some people do not get haircuts so they are at tremendous advantage here in the House of Commons. It does not make much sense to reduce the GST for our friend from Vancouver, but for most people a reduction in the GST is the quickest way to create a fairer tax system.

It is also the quickest way to stimulate the economy by putting more money back into the hands of consumers, particularly ordinary people who will spend it on the necessities of life and in turn create jobs.

**Mrs. Michelle Dockrill (Bras d'Or—Cape Breton, NDP):** Madam Speaker, I rise today to speak to Bill C-32, an act to implement certain provisions of budget 2000. This morning I listened with great interest when the government member spoke about the wonders of budget 2000 and the wonderful effects its implementation will have on Canadians. I thought about how a country measures success and realized that a country measures success by the success of its citizens.

The Minister of Health and other government members talk about health care and the fact they have reinvested in health care because Canadians have said they want to maintain a public health care system. I wonder why the government does not want to talk about the realities we see every day, certainly in my part of the country, with respect to what government cuts have done to health care.

Recently I turned on the television to watch a program about two individuals in two different provinces in Canada. One was a young woman who had been diagnosed with a cancerous brain tumour and had to undergo surgery. Unfortunately she ended up disabled. She was only in her early thirties. It was found out later that the tumour was not cancerous, that it was benign. It was the matter of a misdiagnosis.

The other case involved an older gentleman with some abdominal pain. He went to the hospital and was diagnosed with cancer of the bowel. Following surgery, approximately 10 or 12 days later he died because of complications from the surgery, only for his wife to find out that he too had not had cancer.

The show went on to talk to approximately seven Canadian pathologists. The commentator was asking them how this could happen in Canada. The pathologists said very clearly that it was because there was not enough money being invested into the system. There are not enough pathologists in Canada. The number they quoted was 59 pathologists for every million.

I come from the health care sector. I have found myself asking on a number of occasions what kind of a country we live in. I heard the remarks of my hon. colleague in the Bloc. He asked whether we were living in a better society.

• (1300)

When I listen to government members, I guess from their perspective there are some people who are living in a better society. The hon. member for Regina—Qu'Appelle has just mentioned a couple of them, those individuals in Canada who are not scraping by on a daily basis. What about the areas of the country where people are not doing all that well, as in the unfortunate case of Cape Breton? What is the government's answer? It does not want to talk about the reality that we have 1.5 million more children who will go to bed hungry than we did 10 years ago. The government does not want to talk about the fact that we are hearing from doctors and health care professionals that there is a major problem with the health care system and we need the government to reinvest money.

Nobody is saying that the system does not need to be changed. From the perspective of the health care system, we all know there is a need for innovation, but we also know, and we are being told on a regular basis, that the government has to put back what it took out of health care.

In my part of the country we have 25% poverty. Child poverty is much higher. Government members would tell us that their commitments to EI, health care and education have made things better for Canadians. Better for all Canadians, or better for some Canadians? We see on a regular basis that the answer to that question is that these policies have not been for the betterment of all Canadians.

Five or six years ago Canadians were willing to do their fair share to deal with the deficit. That was our responsibility as Canadians. People did that, especially the workers. As we all know, the government obtained its surplus on the backs of Canadians.

We are all familiar with a program that used to be called unemployment insurance. It was there in case we lost our job. It was a safety net to help us until we got another job. The government changed the name to employment insurance and it has become nothing more than a cash cow to generate revenues for the federal government. Might I say that those revenues are not assisting the unemployed.

Only 30% of unemployed women in Canada qualify for employment insurance. We have heard government members and the Prime Minister recently say that there are problems with employment insurance which will have to be fixed. Maybe that will secure some seats for them in Atlantic Canada.

What has the government done? In my part of the country it has is changed the boundaries. We used to have five regions in Nova

### *Government Orders*

Scotia. The proposal of the government is to take it down to three regions. The government says it will do this to ensure that the areas of the country which have the highest rates of unemployment will receive what the people need. The reality is, in my part of the country the changing of the boundaries will mean that the people of Cape Breton will now only qualify for 30 weeks of employment insurance, rather than 32 weeks.

Something I have always found phenomenal when listening to government members is that they are wonderful at confusing Canadians with numbers. We always hear them talk about 18% unemployment in my part of the country. I have had the occasion to ask Statistics Canada how the unemployment rate is measured. An official told me that if people were unemployed for two years they would be included in the data of Statistics Canada. I do not know about central Canada, but in Cape Breton if someone does not have a job for two, three, four or five years, they are still unemployed. They still do not have a job. However, unless they have been unemployed for two years they are not included in the mechanism used by the government to measure the number of unemployed. With the changing of the zones in my part of the country Cape Breton will fall under an unemployment rate of 15%.

• (1305)

When I go home and talk to my constituents about the policies and the changes that the government is talking about, people laugh. They know it is not 18%. They know the rate is closer to 40% or 45%, with some areas of Cape Breton at 50%. With the stroke of a pen the government will now officially say that the unemployment rate on Cape Breton Island is 15%.

I go back to my original comment. How do we as a country measure success? Do we not measure it by the success of our citizens? It certainly appears that the government does not measure its success by its citizens. If that were the case, then the government would be addressing the issues and the concerns directly affecting Canadians from coast to coast to coast.

When government members talk about how good the budget is, I hope some of them have a conscience and recognize in their own heart that this budget will not assist the number of Canadians who have been drastically affected by the policies of the government.

**Mr. Rob Anders (Calgary West, Canadian Alliance):** Madam Speaker, in 1996 the Liberals increased the burden with regard to overseas employment tax credits, such that people had to leave Canada to find jobs because jobs were not available here, partly because of high taxes. They were faced with an increased tax burden.

When people have to leave Canada because of high taxes, when the Liberals increase the tax burden, something which is truly

*Government Orders*

egregious, are they doing so to fund a subsidy to Wal-Mart? Are the Liberals increasing taxes to fund a subsidy to Safeway? Do the Liberals raise taxes to give a subsidy to Bombardier? Do they raise taxes so they can give a subsidy to Shoppers Drug Mart? Do they raise taxes on Canadians so they can give more out in corporate welfare?

Why are there so many tax increases when there is so much waste?

**Mrs. Michelle Dockrill:** Madam Speaker, as my colleague from Regina—Qu'Appelle said, I would never attempt to speak on behalf of government members or even attempt to explain why they have done what we have seen them do over the course of the last six years.

It is important to note for my colleague from out west that we on Cape Breton Island have never complained about paying our fair share. In all of the years I have lived on Cape Breton Island, I do not remember ever hearing one person complain about paying their fair share. What I have heard people talk about is the unfairness of the tax system.

I would like to leave my hon. colleague with the message that my constituents tell me all the time. They tell me that they would like to have a good job so that they could pay their fair share.

• (1310)

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Madam Speaker, I have a question for my good friend from Cape Breton. The question concerns what is happening to the economy in terms of the thousands of men who are losing their jobs and the effect that will have on the women and children, their families.

The women and children are usually the forgotten ones when it comes to budgets and tax cuts. What happens to the women and children when their husbands, in the traditional roles of Cape Breton miners and steelworkers, lose their jobs due to economic concerns? The Liberal government basically forgets that Cape Breton Island even exists.

From her own personal experience, if the hon. member could elaborate a bit more on that, I am sure the House would be greatly enlightened by her wit and wisdom.

**Mrs. Michelle Dockrill:** Madam Speaker, I will try to provide my colleague with some wit and wisdom.

As I have stated over and over again in the House, it is unfortunate every week when I go back to my part of the country to see the overwhelming effect government policies have had.

As my colleague from Sackville—Musquodoboit Valley—Eastern Shore has said, a number of the people who are being adversely affected are children and women.

Just recently I had the occasion to talk to a young couple. He worked on a fishing boat. We all know what has happened to the fishery on the east coast. He lost his job. His wife was a process worker in a plant. They were sitting in my office with the most beautiful three and a half month old baby girl. They were in their late twenties and thought they had the world by the tail. Neither one of them had a job. We talked for a while. The woman finally broke down and told me that she had just put the last diaper she had on her daughter. That is the reality in my part of the country, day after day.

**Mr. Scott Brison (Kings—Hants, PC):** Madam Speaker, it is with pleasure that I rise today to speak to Bill C-32, the budget implementation act for the 2000 budget.

It is important to take stock of where we are as a country and how we have achieved our current financial position. This is the third budget in which Canada has had a surplus. While the Liberals opposite will crow and take credit for this fiscal achievement, the very policies that were required to lead Canada to this point in economic history were vociferously opposed by the Liberals prior to their forming the government. I will refer to a few of them specifically: free trade, the GST, the deregulation of financial services, transportation and energy. All of those things the Liberals campaigned and fought against. Prior to 1993 they were completely and diametrically opposed to them.

Since then, unburdened by the yoke of principle, the Liberals have embraced these policies and in some cases have claimed some level of originality in introducing them or spearheading them.

It is important that we raise this issue at this time because on Thursday of last week McGill economist Tom Velk and historian A. R. Riggs released a paper evaluating Canadian governments back to World War II on economic criteria. It should come as no surprise to members of my parliamentary caucus in the Progressive Conservative Party that the best economic record of any Canadian prime minister since World War II was held by none other than Brian Mulroney. I think it is important that we recognize the vision and courage of a prime minister who actually took the big steps, who did not ignore the global trends and made the structural changes to the Canadian economy that were necessary to lead Canada into the 21st century.

• (1315)

The headline in the *National Post* on Thursday was “Mulroney ranked first, Chrétien dead last as leaders of the economy”. The *Ottawa Citizen* said “Recession beating Mulroney as economic champ, study says”. The study referred to a number of specific criteria upon which the economists based their judgment.

*Government Orders*

In applauding Mulroney, the professors said that he presided over a general fall in interest rates that lasted more or less the entire term of his office. Inflation took a beating during the Mulroney years. Mulroney, unlike the present Prime Minister, inherited a troubled economy with tremendously high interest rates and high inflation. They said that low income Canadians fared better under Prime Minister Mulroney than they did during the Liberal administrations of the present Prime Minister or under Mr. Trudeau. That may surprise some of the members opposite, but the numbers speak for themselves.

The study credited the vision and the courage of the Mulroney government in embracing the policies of free trade and the GST. These were not easy policies to embrace or to spearhead at a tumultuous time in Canadian political history. In fact in what was referred to as the free trade election in 1988, over half of Canadians voted against free trade. The question of course should not necessarily be what policies are the most popular, but what policies will lead to the greatest level of economic growth and prosperity for Canadians.

That was a government that was not focused on next week's polls as much as the present government is. It was focused on the challenges and opportunities facing Canadians well into the next century. The record of that government speaks for itself not just in terms of what it achieved during its years in office, but what its policies have achieved since then and are destined to achieve well into this century.

In studying the record of the current government, it said that under the tenure of the current Prime Minister and Minister of Finance, the dollar is lower than it has every been in Canadian history. Productivity is comparatively low and its growth has lagged behind that of the U.S. Per capita GDP is lagging comparatively to our trading partners. In the last 10 years Canada has had a GDP per capita growth of about 5% while countries like Ireland have had a 92% growth in GDP per capita. The U.S. and Germany have had a 15% growth in GDP per capita.

As our neighbours to the south and our trading partners elsewhere are improving their productivity, production and success, we are lagging behind. As citizens in other countries are getting richer, the Canadian citizenry is getting poor. Nowhere is that more exemplified than the dramatic and significant loss in the value of our dollar since 1993. Under the Mulroney government, the dollar lost one cent in nine years of power. The dollar has lost around nine cents since the current government took power.

Every time the dollar drops, Canadians effectively have a pay cut. We depend on our trading relations with other countries for many of the goods and services that Canadians need and enjoy. When the dollar drops, the purchasing power of Canadians drops and their standard of living drops. There has been a significant drop in Canada's standard of living over the past several years. In the 1990s, take home pay in Canada decreased by about 8%. This was

during a period when Americans enjoyed a 10% increase. An 18% gap has erupted between Canada and the U.S. in terms of disposal income or take home pay at the end of the day. That is disturbing.

One of the impacts of that has been an unprecedented level of brain drain. The number of Canadians who are going to the U.S. to seek greater levels of opportunity and prosperity has grown from 16,000 per year eight years ago to about 100,000 per year last year.

• (1320)

It is not just the number of people who are going. The most disturbing area of this trend is who is going. In evaluating the type of people who are going we see that some of our young, bright talents, some of the best and brightest we have in Canada, are choosing to pursue their futures and opportunities in the U.S. Ultimately the loss will be to Canada not just in terms of future tax revenue, but in terms of the ability for these individuals to build stronger companies and ultimately a stronger country. It will ultimately benefit the U.S. and not Canada.

We should be doing more to keep these individuals and talents as opposed to driving them away. Before we decide what policies we should be implementing to keep them here, we should be evaluating what specific current policies are having such a deleterious impact on our ability to keep those people.

Certainly the Canadian tax system represents one of the largest impediments to growth and prosperity. It is not the only clue to the brain drain crisis but it is a very important area of public policy that we need to be concerned about. I can give a couple of examples of the degree to which our tax system affects the brain drain.

Let us say a technology worker, a programmer in Vancouver, makes about \$70,000 per year. That individual is in the top marginal tax bracket in Canada. We hit our top marginal tax bracket at \$70,000, even after full implementation of the budget's initiatives. In the U.S. one does not hit the top marginal tax rate until about \$400,000 Canadian. As a result, the software programmer in Vancouver will be paying federal and provincial taxes combined of about 52% of his or her income. At the same level of income, about \$70,000 Canadian, about an hour and a half away in Seattle, that same individual would be paying about 26% of his or her income, effectively half the level of taxation that he or she would be paying in Vancouver.

Frankly for someone with a family and who is making student loan payments, car payments, mortgage payments and hockey costs for children, or whatever it is, that is not a lot of money. The notion that someone making \$70,000 in Canada today is rich is probably wrong-headed. We are taxing those people as if they were fabulously wealthy. That is one of the reasons we are driving people,

*Government Orders*

particularly within that critical \$70,000 to \$100,000 range, out of the country. Those are the people we need.

Another area where we need to address our tax issue significantly is at the lower end of the scale. Currently, our basic personal amount even after the budget is almost \$8,000. That is far too low. The U.S. equivalent threshold in Canadian dollars at which an American starts to pay taxes is around \$11,000. We call ourselves a kinder, gentler nation yet we start taxing people at about \$8,000.

In the short term this should be increased to about \$12,000 and over a period of time should be increased beyond that. In the short term we should be looking at an increase to \$12,000. That would take millions of low income Canadians off the tax roles. It would reduce the tax burden of all Canadians in a fair and equitable manner.

In terms of impact on the new economy, there is probably no more negative tax in Canada than our capital gains tax regime. The recent budget and this budget implementation act would see a reduction in the capital gains inclusion rate from 75% down to 66%. That would still leave us with a 13% disadvantage over the U.S. in the critical area of capital gains. No form of taxation affects the new economy more than capital gains taxes.

• (1325)

The currency in terms of compensatory assets in the new economy is clearly stock options. Increasingly, whether it is in biotechnology or e-commerce, stock options are used to incent and attract talent and to keep talent. In Canada we have a 13% disadvantage even after this budget in the very critical area of capital gains taxation.

The reasons the government will not reduce capital gains tax further have very little to do with realities. It is very dangerous when we build public policy, as is often done in this place, around perceptions and not reality. Let me deal with a couple of those perceptions.

First, there is the perception that capital gains taxes are paid largely by the rich and it would be inequitable to reduce capital gains taxes and thus to reduce taxes on the rich. Over 50% of capital gains taxes in Canada are paid by people who make less than \$50,000 per year. Individuals throughout the small growth companies, from the receptionists to the CEOs, are all incented and paid with stock options.

Also, with the level of market participation that exists today, more so than ever in the history of Canada, Canadians are investing in the equities markets through secure long term vehicles such as mutual funds. They are able to achieve diversification with a relatively small amount of investment and as such are participating in record numbers at this point.

The other perception is that somehow we cannot afford to eliminate the capital gains tax, which is what I would like to see done. A Progressive Conservative government would eliminate personal capital gains tax. Some people say we cannot afford to do that.

The capital gains tax only brings in around \$1 billion per year. Estimates I have heard in terms of personal capital gains tax in recent years are revenues ranging from \$700 million to about \$900 million. If we assume that there will be some shift in the way employees are compensated as a result of the capital gains tax elimination, let us say if it goes from \$1 billion to \$1.5 billion, that is a very conservative estimate of the loss of revenue to the Canadian government. Ultimately that revenue would be made up significantly by the increased level of activity and by the unlocking of capital.

Effectively one of the most pernicious impacts of capital gains taxation is the degree to which people make decisions not based on economic or business realities and criteria, but instead on tax criteria. People hold on to investments far longer than they would have normally and do not make the types of investments they probably should be making in some of the new economy vehicles and opportunities. That locking up of capital denies many of Canada's growth industries, particularly in the knowledge based sector, access to the needed capital.

We live north of the greatest capital markets in the world, the U.S. We cannot afford to penalize and to handcuff our technology sector. In any of the knowledge based areas of our technology sector, whether it is biotechnology or information technology, we cannot afford to deny these players, the individuals who are building their companies and who are building a stronger and more competitive Canada, the opportunity to access capital.

Effectively by locking up this capital in Canada's capital gains prison we are actually preventing these companies from growing here in Canada. Ultimately in many cases these companies are gravitating south of the border in trying to raise capital.

• (1330)

The venture capitalists, whether it is Perkins or the Sequoia capitalists of the world, are investing in these companies and are then encouraging these companies to move their research and development activities and manufacturing south of the border.

While we would like to think that these investments can be made—and do not get me wrong, I encourage foreign investment in Canada's growth industries, we need the investment—I do think there is a significant risk which is borne out by the fact that when this foreign investment is made, it quite frequently leads to a movement or a migration of the companies and the innovators to

*Government Orders*

the U.S. It stands to reason that over a period of time that would have a significant cost to Canada.

The fact is that by unlocking this immense pool of capital to reduce or, as we are proposing, eliminate personal capital gains tax in Canada, we would actually be able to fund and raise capital for these innovators here in Canada.

There are innovators in the financial service sector now who are already doing that. The one which comes to mind, Yorkton Securities Inc., has demonstrated that it is Canada's top investment bank in the knowledge based industries. We are putting in front of the Yorktons and in front of the McLean Watson Capitals, which are raising money for Canadian knowledge based industries, the barriers to success which ultimately threaten their ability to raise the capital they need to invest in the innovators who we as a country need to grow and develop greater successes here in Canada.

If we are not competitive in that new economy, a lot of these arguments are effectively moot. Our ability to afford the social investments that Canadians value and treasure, whether it is our health care, our social safety nets or the transfers to the provinces, become moot if we cannot afford them. It is critical to build a tax system around growth, not greed, so that we can afford the types of social investments that Canadians want well into the next century.

For some Canadians there is a belief that these investments, whether it is in our health care or equalization systems, define us as a country. It is very important to get our fundamentals correct, that we reduce our debt in real terms, that we reduce over a period of time not just our tax burden but that we use a system of tax reforms to do what is required to make Canada more competitive in the new economy.

I believe we can achieve success with visionary policies that will lead Canada proudly into the 21st century, but we have to move now. This caretakership government, which is taking baby steps when other countries are taking gigantic leaps, is clearly not appropriate or helpful.

**Mr. Rob Anders (Calgary West, Canadian Alliance):** Madam Speaker, there have been a number of tax increases that have been brought in over the last number of years.

The Liberals brought in 62 different tax increases since they took government in 1993. One of those was an increased tax on energy conservation and on pollution abatement equipment. That tax which the Liberals brought in in 1994 resulted in \$45 million more.

The ironic thing is that we often hear the Liberals talking about how they care about the environment but they actually brought in an increased tax, \$45 million more, for investigations into energy

conservation and pollution abatement equipment. That is awfully strange.

The question I have for my colleague is whether or not that money was raised so that things like video tracing the history of Chilean poets in Montreal for \$28,000 is an example of where that money was going. Is the history of Chilean poets in Montreal the reason why the Liberal government went ahead and brought in a \$45 million tax on conservation?

• (1335)

**Mr. Scott Brison:** Madam Speaker, it is clear that we need a significant level of tax reform and tax reduction.

The member referred to a specific tax under the Liberal government. I in fact was not aware of that tax and I appreciate his bringing that to my attention. Relative to his citing one specific incident or evidence of spending, the history of Chilean poets in Montreal, I am not aware of that specific investment. However, since Pericles and ancient Athens, civilized societies have invested in culture. Whether he believes that the history of Chilean poets in Montreal is relevant or irrelevant, it becomes a very dicey question to determine whether one cultural investment is worthy or one is not. To try to discern whether that is worthy borders on censorship.

I can point to many ways, particularly relative to the ministry of HRDC, where the government has continued to play the old game of picking winners and losers and ultimately doing what politicians do best in terms picking more losers than winners and interfering in the private sector in the course of that. I would argue that while there may be some sensationalist benefit to identifying specific cultural investments, the substantive waste in HRDC is probably a more reasonable target for the hon. member to cite.

I also urge him to consider that there are some elements of culture that simply will not be privately funded and from which there is a collective benefit to investing in Canada. While I cannot comment on that specific example because I have not studied it, as a Canadian I do value the fact that we have an extremely diverse culture that contributes significantly to the cultural mosaic of our country. That the government does play a role in the infrastructure of that is a valued tradition that Canadians in my riding and elsewhere value.

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Mr. Speaker, I did appreciate the attitude and approach of my hon. colleague from Kings—Hants and his party. We on this side of the House support that initiative as well.

It was his government, the Conservatives, that brought us the dreaded GST. Now the Liberals in Atlantic Canada have tacked on the HSC which has created quite the underground economy. Last

*Government Orders*

year, according to the auditor general, federally and provincially that equated to almost \$12 billion of untaxed underground economy going on in this country.

What does the hon. member, who is the finance critic for his party, and his party plan to do to reduce the underground economy and start reducing or eliminating the dreaded GST?

**Mr. Scott Brison:** Mr. Speaker, it is important to recognize that at least the New Democrats, on the issue of the GST, have been consistent. They did not like the GST in 1993 nor do they like it now. Of course the Liberals were completely and diametrically opposed to the GST and have since embraced it, with the Prime Minister on foreign travels in fact taking credit for it.

While I disagree with New Democrats quite frequently, I do respect that in terms of principles they are consistent, as opposed to the patron saints of hypocrisy opposite who campaigned on one agenda and then embraced another.

The only thing worse than the Liberal government stealing policies from the Tories and taking credit for the results would be if it were to implement its own. I am glad it has not been terribly original in that area.

Relative to the GST, I would urge the hon. member to look at the tax that the GST replaced, the manufacturer's sales tax which actually, from a trade perspective, penalized Canadian manufacturers. It made it more difficult for them to achieve competitiveness and reduced the opportunities for Canadian companies to create jobs and opportunities here in Canada. If we compare the GST to other taxes in terms of its impact on job growth and opportunities in Canada, it is probably one of the more sensible taxes we have. If we reduce our personal and corporate income taxes and capital gains tax in some of these other areas, there will be a shift to a greater level of dependency on a consumption tax base. There is a significant consensus among economists around the world that most countries should move in the direction of a greater dependency on consumption taxes and less on income taxes in the long term.

• (1340)

There are certainly some issues on collection that need to be addressed and there is an underground economy that has grown significantly. That is because the government has refused to do what is necessary on the income tax side of the equation. I do not think it is fair to blame that on the GST.

**Mr. Eric Lowther (Calgary Centre, Canadian Alliance):** Mr. Speaker, I appreciate the comments from the finance critic for the Conservative Party.

I remember reading some of the recent claims and statements made by the Progressive Conservative Party at a recent rally

talking about increasing the spending on health care and other things. They talked about reducing taxes and eliminating the capital gains tax completely. They then talked about \$25 billion a year in debt retirement. Those all sound nice and the themes are consistent with the Canadian Alliance Party, but in an effort to attract some sort of public support they go over the top.

I wish they would follow the lead of our finance critic who has submitted his plan to the academic community and economic forecasters who say that our plan has integrity because it balances out. Our plan actually works with the numbers. It balances and it makes sense.

I wonder why the member opposite does not consider adopting a plan and moving in a direction that has integrity, where the plan balances as opposed to what we have heard from his party in the past making wild promises that do not balance. Canadians see that and will never embrace it. Canadians are embracing our plan because it has been tested by academics and proven to be workable and real.

I would invite the member to comment on that and to consider supporting the Canadian Alliance approach to tax reform in Canada.

**Mr. Scott Brison:** I appreciate the hon. member's invitation. I will put it with the other invitations I have received from his party and consider it with the same level of seriousness as I have in the past.

The hon. member pointed to a policy conference that my party recently held in Quebec City. I thank him for mentioning it in the Chamber today. Eleven hundred Canadians from all walks of life gathered in Quebec City to discuss the types of policies that our party, at the very grassroots level, would like to see implemented by a Progressive Conservative government and, prior to that, as part of our platform in the next election.

One of the impediments we have as a party is the fact that we are one of the most grassroots parties in the country. That top down party, the Canadian Alliance, may develop its policies in smoke filled boardrooms and backrooms but my party develops its policies openly on the floor of convention halls, church halls and school basements. It may take a little longer to develop our policies but I think we will be favourably rewarded because our tax proposals are not based on greed. They are based on growth. I wish that party—

**The Deputy Speaker:** I am sure that members would like to hear the hon. member from Kings—Hants at length but time rules do apply to the member as well and he has run out of time.

**Mr. Rob Anders (Calgary West, Canadian Alliance):** Mr. Speaker, today we are talking about the budget. I think it is



*Government Orders*

important for everybody to know that the Liberals have increased taxes 62 times since they formed the government in 1993. Corporate taxes have increased 27 times. Personal tax increases have gone up 22 times. Bracket creep has increased six times. The Canada pension plan has increased seven times.

• (1345)

We must ask what we are getting for the 62 Liberal tax increases since 1993. That is the question. I have done some research. I would like to report to the House and to the world what types of things the Liberal government has done with those 62 tax increases since it came into power in 1993.

In my riding the Liberal government is subsidizing Wal-Mart. Wal-Mart is a pretty successful firm. Yet the government has gone ahead and increased taxes on Canadians and is subsidizing an extremely profitable company like Wal-Mart in my riding.

It gets richer. The research goes on. Not only is the Liberal government subsidizing Wal-Mart but it is subsidizing Canada Safeway. How is it fair that IGA, Calgary Co-op or any of the other grocery stores are subsidizing Canada Safeway? That is what the Liberal government is doing. It is raising taxes on everyone to give to the few.

The Liberal government is also subsidizing Shoppers Drug Mart. All these companies are profitable. It has raised taxes 62 times. What is it doing with all this tax money? It is subsidizing all sorts of profitable corporations. Shame on the Liberals for doing these things.

It is not only corporate welfare that the Liberals are subsidizing with their 62 tax increases since 1993. They are funding studies too. They have done research just like I am doing research, but what are they doing research on? What are the Liberals spending our money on?

They want to have studies on lawn ornaments. The Liberals actually had a study done on pink flamingos that are stuck into lawns with our tax dollars. It actually happened. Can we believe that the Liberals would give money to Bombardier? In some respects that almost makes sense because Bombardier is a big funder of the Liberal Party. I will deal with that at greater length in a little while. Why is it that we are subsidizing profitable companies and spending money to study lawn ornaments? It does not make any sense. Why have there been 62 tax increases for taxpayers since 1993 to do such things?

I will go through the individual tax increases and ask whether it makes sense what the Liberals have spent money on. In 1994 the Liberal government increased the tax on energy conservation and pollution abatement equipment, something that would reduce emissions and somehow help the environment as it likes to claim. It brought in \$45 million of revenue. On the flip side, what was the

government putting the money into? It took the money from one side, and what was it spent on?

The Liberals gave \$33,800 to examine major league baseball in Detroit. The last time I checked Detroit was in the United States, but taxpayers in Canada were paying for 62 tax increases to the government since 1993 so that it could give their money away to study baseball outside Canada. The next time people write their tax cheques to the Canada Customs and Revenue Agency I want them to think about that.

The Liberal government continued its studies. It spent \$100,670, which a lot of tax money for the average taxpayer. As a matter of fact it would take 21 average taxpayers to pay their taxes the whole year in order to fund the interactive study of video games.

• (1350)

Why have the Liberals raised taxes 62 times since they took office in 1993 so that they could spend over \$100,000 in 21 taxpayer years to study interactive video games? That does not make any sense. It is totally ridiculous.

Let us look at another infamous Liberal tax increase. In 1995 they brought in a 1.5 cent per litre increase on gasoline, which resulted in a whopping \$500 million. What did taxpayers get for putting \$500 million more into the Liberal coffers? What did the Liberals wisely invest that \$500 million in?

It did not go into roads. Once again, some of the studies show that \$44,000 of it went to the social construction of feminist meanings. A lot of tax money came in, but I am guessing the average person who paid the 1.5 cent per litre tax on gasoline did not expect his or her tax money would go to a study on the social construction of feminist meanings. Is it fair for those people to pay those taxes and see them go toward such things? It does not make sense.

Let us look at another of the 62 Liberal tax increases which they have brought in since 1993. In 1995 the Liberals had an additional tax on investment income from private corporations which brought an increased tax burden to Canadians of \$120 million. What did the Liberals put all that extra money into? What did the Liberals do with the extra money they were bringing in as a result of all the tax increases in 1995?

They gave \$33,000 to promote and develop music in alternative spaces. I ask the average taxpayer to think about that. Is \$33,000 for music in alternative spaces something that average taxpayers, if they were the finance minister or the minister responsible, would have thought was a wise investment of taxpayer dollars? Would they have thought it was worthy of a 1.5% per litre increase on gasoline so that Canadians were paying \$500 million more into the Liberal coffers? Is that what they were paying their tax increases for? I do not think so.

*S. O. 31*

It goes on, because 62 tax increases takes a while. In 1995 the Liberals increased the corporate surtax which brought in \$120 million. They brought the the additional tax on investment income which I have just mentioned. That was another \$120 million. They eliminated the deferral of tax on business income for \$300 million.

For all these hundreds of millions of dollars what more could the taxpayers possibly expect from the Liberal government? Some 161 different groups, associations and unions received \$4,059,235 in grants. For average taxpayers paying more money in income tax and paying more money at the gas pumps for their gasoline when they have seen prices go up dramatically recently was it really wise for the government to spend \$24,000 for a film entitled "Indians of Czechoslovakia: Interaction of Indigenous People With Mother Earth?" Was that a wise expenditure of taxpayer dollars?

How about a tax cut? That sounds a lot better to me and I bet that is what my constituents would vote for. As a matter of fact I know that is what they would vote for.

The story goes on. In 1996 the tax increases just kept on coming from the Liberals. They increased the taxes on Canadian pensioners abroad. In Kingston, which is in the Speaker's riding, there may be people who were affected by this. I know it is even worse in Windsor. The taxes on Canadian pensioners living abroad brought in \$10 million.

• (1355)

When these pensioners paid the extra \$10 million the Liberals levied on them in 1996, what did they get in return? Some \$28,000 were spent on a video tracing the history of Chilean poets in Montreal. Was the reason the government went ahead and gouged \$10 million from pensioners to fund a video on Chilean poets in Montreal? Was that the rationale?

It goes on. Additionally in 1996 the Liberals froze the contribution limits for RRSPs. More than that, they broke their own promise when they did that. For what good reason did the Liberals break an election promise on RRSP contribution limits? For what good reason did they break the pact that they made with taxpayers when they were elected? They went ahead and gave the Secretary of State for the Status of Women and the Canadian Advisory Council on the Status of Women over \$34 million.

Would the average taxpayer say that was a wise expenditure of funds? I think it is pretty questionable? The Liberals went on. In 1996 they forced seniors to begin early withdrawals from their RRSPs. For what reason?

**The Speaker:** It always pains me to interrupt the hon. member. He has seven minutes plus remaining when we return to the debate.

**STATEMENTS BY MEMBERS**

[English]

**EDUCATION**

**Ms. Sophia Leung (Vancouver Kingsway, Lib.):** Mr. Speaker, I congratulate over 1,000 students from Vancouver Charles Tupper and the Killarney high schools who graduated last week.

I was impressed with their dedication, intelligence and warmth. I can say without a doubt that the students from Vancouver Kingsway represent the leaders of tomorrow. I wish them all the best in their future endeavours.

\* \* \*

**SRI LANKANS**

**Mr. Ted White (North Vancouver, Canadian Alliance):** Mr. Speaker, over the past seven days my office has been inundated with copies of e-mail messages sent to the Prime Minister and Minister of Finance by Sri Lankan born Canadian citizens.

In addition, I have received messages from as far away as Melbourne, Australia. Virtually all those messages criticize the finance minister for his attendance at the FACT function and congratulate me for bringing to the attention of parliament the CSIS reports about that organization. Here are a few words from one of those e-mail messages to the minister.

What could be more un-Canadian than overtly supporting a well documented terrorist group, looking the other way when such groups collect money for war, and ignoring the statements of the Canadian, U.S., and Israeli intelligence services?

In his misguided attempt to garner votes the Minister of Finance has embarrassed the government and alienated peace loving Sri Lankans throughout the world.

\* \* \*

**NATIONAL CANCER SURVIVORS DAY**

**Ms. Judy Sgro (York West, Lib.):** Mr. Speaker, Sunday, June 4, marked the 13th anniversary of National Cancer Survivors Day. Cancer touches all of us either directly or indirectly since approximately one in three Canadians will be diagnosed with cancer during his or her lifetime.

• (1400)

On Sunday survivors were honoured, those who are living with and beyond cancer. We also recognize the important role that family members and friends play in the life of the many survivors. We also want to thank the many health care professionals and researchers who devote their lives to finding a cure or to making life more comfortable for people faced with this disease.

Last year over 700 communities across North America celebrated National Cancer Survivors Day. On Sunday several of us participated in the events taking place in our communities to ensure the ongoing success of this very important day.

\* \* \*

### THE ENVIRONMENT

**Mrs. Karen Redman (Kitchener Centre, Lib.):** Mr. Speaker, June 4 to 10 is Environment Week 2000 and today is World Environment Day.

Since 1971 environment week has been celebrated around the world. Each year Canadians are challenged to demonstrate their commitment to creating a cleaner and healthier environment. The theme for this year is community action on clean air and climate change.

In my riding of Kitchener Centre, the city is hosting the 13th annual energy and environment forum. This event brings together experts and community members to discuss how we can best work together to meet our environmental challenges.

Let there be no doubt that the government is committed to improving the environment. The \$125 million investment in the green municipal enabling fund and the green municipal investment fund is a clear indication of our support.

These initiatives are being undertaken in partnership with the Federation of Canadian Municipalities to help address air quality, water quality and the transportation needs of our citizens.

I encourage all members of the House—

**The Speaker:** The hon. member for Peterborough.

\* \* \*

### NATIONAL INFRASTRUCTURE PROGRAM

**Mr. Peter Adams (Peterborough, Lib.):** Mr. Speaker, I congratulate the government for establishing another national infrastructure program and on committing up front the federal share of the funds.

The municipalities of Canada are enthusiastic participants in this program. We are currently negotiating with the provinces.

I urge that the definition of infrastructure be left to the municipalities. They know where the need is greatest. They know where funds are best allocated.

The government conducted an excellent national infrastructure program involving the provinces and municipalities in 1994. It worked well with the municipalities selecting projects subject to clearly defined criteria and control.

*S. O. 31*

Let us build on the experience of that excellent program. The municipalities need help soon with their infrastructure projects.

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### NATIONAL CANCER SURVIVORS DAY

**Mr. Bob Mills (Red Deer, Canadian Alliance):** Mr. Speaker, yesterday the Canadian Cancer Society assisted in celebrating the 13th annual National Cancer Survivors Day. This day honours survivors who are living with and beyond cancer. This day is so important as it also recognizes the role that family and friends play in the lives of cancer survivors, as well as health care professionals and researchers who devote their lives to helping those faced with this disease.

Cancer touches us all either directly or indirectly. Approximately one in three Canadians will be diagnosed with cancer during his or her lifetime.

Today improved detection methods, increased availability of information and enhanced treatments allow for more people to achieve a full recovery.

This day demonstrates that a diagnosis of cancer is not an automatic death sentence. Now observed in over 700 communities throughout North America, National Cancer Survivors Day is a powerful tribute to everyone whose lives have been touched by cancer. It is a day to celebrate courage and hope.

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[*Translation*]

### LEBANON

**Mr. Mark Assad (Gatineau, Lib.):** Mr. Speaker, on May 23 and 24, 2000, the Israeli troops occupying Lebanon left it, thus implementing, after many years, UN resolution 425.

This is a big step towards sovereignty for the Lebanese people. Now it is up to the Syrian troops to negotiate their departure so the Lebanese government may exercise complete sovereignty over its territory.

[*English*]

For many, many years Lebanon was the home of refugees, for Armenians and for Palestinians. No country has had to play as humanitarian a role as Lebanon, welcoming all those who were oppressed.

Today its borders have to be secure. I hope and believe that Canada with the international community will safeguard the borders of Lebanon. Let there be a viable democracy—

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

*S. O. 31*

• (1405)

[Translation]

### GASOLINE PRICING

**Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.):** Mr. Speaker, the president of the Fédération des travailleurs du Québec, Henri Massé, said last week “The big oil companies are going too far. I am concerned about these increases in the price of gasoline, which are adding to inflation. The problem is of concern to the regions of Quebec”.

I agree with Mr. Massé, but we must approach the problem as a whole with the governments of Canada, Quebec, the provinces and the territories, with the major oil companies and the regional stakeholders in Quebec.

Together, we need to arrange for a two day summit in an effort to find a real solution for consumers.

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### FIGHT AGAINST POVERTY

**Mr. Bernard Bigras (Rosemont, BQ):** Mr. Speaker, as the late Fernand Dumont used to say “Collective problems do not vanish because we have talked too much about them: they persist because we did not solve them”.

We can never say often enough that the persisting gap between the health of our economy and the increase in poverty is a real shame for our society. That gap directly impacts not only on the physical and psychological health of individuals, but also on the chances of success, in their adult life, of children living in poverty.

Even though the Prime Minister feels that Canada is among the best positioned countries in the world to make other rich nations aware of the need of less fortunate people, the fact is that since he took office in 1993 we have had seven years of social deficit.

This is why the Bloc Québécois solemnly pledges to make the necessary representations to the federal government, asking that it alleviate the harm it has caused to hundreds of thousands of women, men and children, by making the fight against poverty a priority.

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[English]

### TAXATION

**Mr. Monte Solberg (Medicine Hat, Canadian Alliance):** Mr. Speaker, the Prime Minister went to Germany to say that people who advocate tax relief have an agenda of greed. He could not be more wrong.

Greed is when one takes more than one is entitled to, more than one has actually earned. If that describes anyone, it describes the Prime Minister and the Liberal government. It is the Prime

Minister and his government who are guilty of greed when they force people earning less than \$20,000 a year to pay \$7 billion a year in income taxes. It is the Prime Minister and his government who are guilty of greed when they tax people so heavily that investments, jobs and young people are driven out of the country.

The government is guilty of greed when it taxes people so heavily that both parents are forced to go out into the workforce, one just to pay the taxes. It is greed when the government uses its power to overtax, to hand grants to its friends and to pour money into Liberal ridings in a transparent attempt to lever themselves back into power.

Canadians deserve to keep a lot more of the money they work so hard for and honestly earn. That is not greed; that is justice. I urge Canadians to join with the Canadian Alliance in the next election and let us throw those—

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### RON LENYK

**Mr. Steve Mahoney (Mississauga West, Lib.):** Mr. Speaker, the first business person of the year award in the new millennium in Mississauga was recently given to Ron Lenyk. The Mississauga Board of Trade announced the honour last week at a dinner celebrating its annual awards night.

Ron Lenyk is more than just a businessman; he is totally committed to the city and the community. He recently reached the milestone of 30 years with the *Mississauga News*. Ron started as a cub reporter and worked through the ranks to become the business leader of that company.

The best part of this recognition of Ron Lenyk is that much of what Ron has done and continues to do is done in anonymity. He is well known for just getting the job done, inspiring those who work with him and spending countless hours helping people. He is a great choice for the business award and is quick to give everyone around him the credit for his success. Maybe that is the secret.

Congratulations to Ron Lenyk.

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### TRADE

**Mr. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, the secrecy, deception and lack of transparency associated with free trade negotiations seems to be getting worse over time under the Liberals.

Last week the Deputy Prime Minister said that the Free Trade of the Americas Agreement would not be on the table at the OAS meeting in Windsor. Yet we know the OAS is part of the secretariat for the FTAA and when the Prime Minister spoke to the OAS, he could hardly talk about anything else but trade. Why the dodge about the relationship between the OAS and the FTAA?

A few weeks ago we found out that the Business Council on National Issues had been quietly negotiating a free trade deal with Japan. As CAW president Buzz Hargrove rightly observed, big business has decided to eliminate the middle man, that is government, and negotiate these deals itself. No more is there to be even the charade of democracy.

The OAS event in Windsor and the BCNI in Japan are all part of the same pathology. Pro free trade politicians meet behind barricades to protect themselves from the people because they are now openly and shamelessly taking their orders from the corporate sector. The Liberals should either build the metal fences even higher or reclaim their role as representatives of the people, one or the other.

\* \* \*

● (1410)

#### ENRICO AND JOSEPH MANCINELLI

**Ms. Beth Phinney (Hamilton Mountain, Lib.):** Mr. Speaker, I pay tribute to two outstanding Canadians, Enrico Mancinelli, who came to Canada from Italy in 1952, and his son Joseph.

Enrico is the Canadian director of the Labourers' International Union of North America, while his son is a vice-president. LIUNA is a multifaceted union representing over 65,000 members in Canada mainly in the construction industry.

Under the Mancinellis' direction, LIUNA has contributed to the well-being of Hamilton through the building of affordable housing, scholarship programs, participation in community activities and initiatives such as the Canadian Labour Hall of Fame.

Their contributions have included the revitalization of Hamilton's downtown core, including the redevelopment of a local hotel and the construction of long term care facilities. More recently they bought the old CN station in Hamilton and restored it to its original grandeur.

I am sure all hon. members will be happy to join me in congratulating Joseph and Enrico Mancinelli and thank them for all they have done to make Canada a better place to live.

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#### IMMIGRATION

**Mr. David Price (Compton—Stanstead, PC):** Mr. Speaker, last Thursday in the House two hon. members of the Canadian Alliance confidently outlined their party's immigration policy.

In referring to the type of immigration system, the hon. member for Souris—Moose Mountain said, "We want the system we had in the last century that brought people into the country. We had no

#### S. O. 31

immigration problems with law. We had no immigration problems with unemployment".

Here is the immigration system we had in place in the last century. A head tax was placed on Chinese nationals. Parliament passed legislation which prohibited all Chinese from voting even if they were Canadian citizens. Finally, restrictions were placed on the number of Chinese and East Indians coming to Canada.

These were not the only such remarks made. The hon. member for Saanich—Gulf Islands said that the real problem in the immigration department is the refugees who arrive in Canada. He further stated that we were doing these refugees a service by sending them back.

I would like to thank the hon. members for clearly explaining the Canadian Alliance's racist and discriminatory policy on immigration and refugees.

\* \* \*

#### PERSONS WITH DISABILITIES

**Hon. Andy Scott (Fredericton, Lib.):** Mr. Speaker, I am pleased to congratulate three New Brunswickers who have been recognized for the positive differences they are making in the lives of persons with disabilities.

The New Brunswick Easter Seals March of Dimes provincial award of merit has been presented to Bill Wallace of Fredericton in recognition of leadership in the development of services to persons with disabilities in New Brunswick.

An award was presented posthumously to Kevin O'Connell in recognition of outstanding volunteer support of the New Brunswick Easter Seals March of Dimes.

Finally, an award of merit in recognition of distinguished leadership in support of the organization's fundraising efforts was presented to another of my constituents, Andy Wilson. Andy has been involved as honorary chair of the March of Dimes since 1998.

I would like to extend my congratulations to each of these award winners for the good work they have done for this important organization which provides services to persons with physical disabilities. Their efforts are much appreciated.

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#### GRAIN TRANSPORTATION

**Mr. Rick Casson (Lethbridge, Canadian Alliance):** Mr. Speaker, last week the government introduced legislation to modernize Canada's grain handling system but instead of looking to the future and capitalizing on its opportunity to leave \$300 million in the pockets of producers with a commercially accountable contract driven system, the Liberal government has chosen to look to the past.

### Oral Questions

Despite giving producers short term relief for freight costs, the so-called reforms in Bill C-34 will only entrench the inefficiencies and incompetence that have dominated western Canada's grain transportation since the turn of the century.

Studies by the Canadian Federation of Independent Business have shown that excessive government red tape is a serious impediment to improving productivity in the agriculture sector.

By refusing to reduce the role of the Canadian Wheat Board, the government has ignored the advice of experts such as Mr. Kroeger and Justice Estey. It is perpetuating a bureaucratic culture of excessive government interference and overregulation that will continue to cost Canadian farmers millions of dollars each year.

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### CANADIAN BROADCASTING CORPORATION

**Mr. Norman Doyle (St. John's East, PC):** Mr. Speaker, recently CBC management announced that all of the CBC regional supper hour news programs will be cut back from one hour to half an hour.

*Here and Now* in Newfoundland has a 64% market share. It has a viewing audience of 157,000 people. In comparison, in Toronto CBC's supper hour newscast has a market share of 2% and an audience of 36,000 people. The show with ratings closest to *Here and Now* is the one on Prince Edward Island with a 76% market share and 44,000 viewers.

• (1415)

Obviously the local CBC news shows in P.E.I. and Newfoundland are in a category all to themselves, and on their own merits they deserve not to be cut back.

It is time for the Minister of Canadian Heritage and the Newfoundland Liberal MPs, who are taking very little interest in this subject, to show a little courage and tell the CBC that whatever they do in the rest of the country, *Here & Now* is here to stay.

\* \* \*

[Translation]

### ENVIRONMENT WEEK

**Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ):** Mr. Speaker, I am pleased to rise today to celebrate Canadian Environment Week, which will end on June 8.

As members know, technological developments and globalization have triggered an increasing number of environmental problems. Unfortunately, the government seems to be putting more emphasis on exports and international trade than on the protection of our environment.

As former Quebec premier Pierre-Marc was reported as saying in an article published today in *La Presse*, "We must not isolate trade policies from social and environmental concerns". This is the perspective in which we must work for the sustainable development of our planet.

It is my hope that this Environment Week will be an opportunity to work toward that goal. Promoting public transportation or creating new and less polluting fuels are excellent ways to promote a happy combination of the environment and the economy.

I thank all those who will take part in this Environment Week.

### ORAL QUESTION PERIOD

[English]

### HUMAN RESOURCES DEVELOPMENT

**Miss Deborah Grey (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, on February 9 the HRD minister was asked when she was first advised about the now famous internal HRD audit. She said "I received a briefing on the full internal audit on November 17". I bet she did. Now we know that her office was told at least a month before that.

I will give the minister an opportunity to clarify it now. Does the minister really expect us to believe that all senior ranks in her department, as well as her own personal staff, knew about that audit but she did not?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, surprise, surprise, the Canadian Alliance members and their favourite national tabloid have discovered that meetings do take place in my department, that people do come in from out of town to attend those meetings and that e-mails are exchanged. They even report information that has been a matter of public knowledge for months, that I was briefed on November 17.

Clearly there was work being done in my department on the internal audit before the audit was completed and before I was briefed. That is as it should be.

**Miss Deborah Grey (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, before she was briefed. In fact, the access to information response that we have said that she asked to be briefed on "hot issues" only.

On August 9 she received that briefing on the transitional jobs fund, the Canada jobs fund, as well as grants and contributions. That was a week after 40 senior officials met for two days to discuss that crisis. They knew what was hot. On August 9 the minister was briefed.

*Oral Questions*

Why does the minister keep pretending that she only knew about it in November?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, because that is true.

**Miss Deborah Grey (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, that may be, but we would like to know what they discussed.

For the upcoming briefing of Monday, August 9 the first items of business were the TJF, CJF and grants and contributions.

The minister says now that she got a briefing on it, but we have been hearing her say for months that basically the first she knew of it was November 17.

The government has bungled \$1 billion. That is a hot issue. How hot does it have to be before the minister will stand and admit that she burned Canadians badly?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, the party opposite continues to come to the House and take things out of context.

They talk about draft reports. They talk about e-mails. They talk about all kinds of information from the past that is now part of the public record.

What they refuse to talk about is the fact that my department made 10,000 pages of information public which indicated that grants and contributions are invested in ridings right across this country, not just government ridings.

What they refuse to talk about is the fact that my department has reviewed 17,000 files and found that \$1 billion is not missing.

When will they come clean and tell the Canadian public—

**The Speaker:** The hon. member for Calgary—Nose Hill.

**Mrs. Diane Ablonczy (Calgary—Nose Hill, Canadian Alliance):** Mr. Speaker, HRD documents tell us the following: on June 14, 1999 interim audit results were presented; on July 14, 1999 the proposed action plan was produced; on July 27, 1999 there was a two day meeting of 40 top HRD officials; and on August 9, 1999 the minister was briefed on hot issues only at her request.

• (1420)

In light of this document and record of intense activity and focus on the boondoggle audit, is the minister seriously asking Canadians to believe that it was not part of her August 9 briefing?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, preliminary work was undertaken in the

department before the internal audit was complete. That is as it should be. The department came to me when the audit was complete and a management response had been added to it. That is as it should be. The process that was undertaken was as it should be.

**Mrs. Diane Ablonczy (Calgary—Nose Hill, Canadian Alliance):** Mr. Speaker, the minister did not answer the question as to whether this boondoggle audit was part of her August 9 briefing. We have a copy of the briefing schedule. “Note to file: Minister Stewart was briefed on hot issues only at her request. She preferred knowing what balls were in the air”.

Was this ball, which was clearly in the air, not even mentioned at her August 9 briefing? Is that what she is telling Canadians?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, let me repeat what I have said on a number of occasions and what is clear from the report in the *National Post* today. I was briefed on November 17.

[*Translation*]

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, the Minister of Human Resources Development has told the House repeatedly, and again today, that she was not made aware of the problems in her department until November 17, 1999, although she was sworn in on August 3 of that year.

Would the minister have us believe that, when she first took up her duties, she did not receive this kind of briefing from her deputy minister? Did nobody warn her about what was going on in her department? Was there never any mention of the final report of October 5 before November 17? Is that really what the minister would have us believe?

[*English*]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, the questions being raised today are old news. They are a matter of public record. We have been through this on a number of occasions.

I was briefed on November 17. At that time I indicated that I wanted a stronger response from the department. When that was complete we made the internal audit public. Since that time considerable work has been undertaken in the department, not only to share with the House where grants and contributions are—and I repeat that they are in every riding of members of the House—but also we have reviewed 17,000 files and found that there is \$6,500 outstanding.

[*Translation*]

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, what is new today is that there are revelations, facts, and

*Oral Questions*

documents we have obtained through access to information to prove what we have been saying for several weeks, if not months, now.

What is not new are the minister's evasive answers. What is not new is her wish to conceal the facts, and what went on in her department.

Does she realize that the only honourable thing left for her to do is to resign, because nobody believes her?

[*English*]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, I think what Canadians appreciate is the fact that I and my department made clear to them that there were improvements we could make in managing our paper. We made that public. I think what Canadians appreciate is that we have a plan of action that is supported by the auditor general to ameliorate the difficulties.

I think what Canadians also know when they look at the report that I made to the standing committee is that this is not about \$1 billion missing, as the opposition continues to suggest. Rather, it is about a department that is fully prepared to improve its administrative practices in support of the grants and contributions that make such a difference in the lives of—

**The Speaker:** The hon. member for Roberval.

[*Translation*]

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, the noose is tightening around the neck of the Minister of Human Resources Development.

On June 14, 1999, a preliminary report was tabled. On July 27, 40 public servants from all over Canada were brought to Ottawa, to the department, to be briefed on what was going on in Human Resources Development Canada. On August 3, the minister was sworn in and received a briefing.

How can she have us believe that neither the PMO nor the former minister, who was aware of the situation, nor the Deputy Minister, who organized meetings of staff to inform them, could not have taken the trouble to inform her, the minister, the person supposedly responsible for the department, that there was a problem at Human Resources Development Canada?

• (1425)

[*English*]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, let us review the process again. Indeed, the department was doing preliminary work on an internal audit that was not complete until late in the fall. Indeed, the department made sure that the audit was finished and the management response which they wanted to provide me was complete before they brought it to me. That is the appropriate process.

When I received their work I said that I wanted a stronger management report. That was prepared and when that was done we made the whole thing public. Subsequent to that we have made significant progress in improving the administration of grants and contributions.

[*Translation*]

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, what we see happening today is enough to make a person totally lose hope.

Either the minister is the one who co-ordinated the game of hide-and-seek that has been going on in Human Resources Development Canada for more than a year now, or she has been the puppet of the PMO and of her own Deputy Minister, who preferred to bring 40 public servants together from all over Canada in order to speak to them of the problems at HRDC instead of speaking to the new minister about them.

Either way, whether she is the puppet or the puppet master, she must resign.

[*English*]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, I completely reject the premise of the hon. member's question.

Again let me convey to him the process as it was undertaken. The department was completing an internal audit. In the context of that it was doing preliminary work. Beyond that, once the internal audit was complete, and once the management response was prepared, it was provided to me and I received a full briefing on November 17.

\* \* \*

## HUMAN RIGHTS

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, last week the Deputy Prime Minister assured the House that the focus of the OAS meetings in Windsor would be human security, not the trade agenda. He said that issues like the case of Francisco Ramirez would be on the agenda. He is the Colombian labour leader who was being pursued by paramilitary death squads.

I ask the acting prime minister, has Canada gone beyond vague generalities and raised the case of Francisco Ramirez? What measures is Canada proposing to safeguard human security through the OAS?

**Hon. David M. Collenette (Minister of Transport, Lib.):** Mr. Speaker, the Prime Minister outlined the government's approach to this matter, and contrary to the assertion of my friend opposite, the economic agenda did not dominate, as the Deputy Prime Minister said last week. Human rights and democracy were foremost on the minds of all there and were mentioned by the Prime Minister. The Prime Minister talked about the inclusiveness of societies in the OAS empowering citizens to deal with civil society. He talked



*Oral Questions*

about people not being left behind by the technological revolution. He wanted all people to share in the benefits of society.

I think it was a very successful conference, and Canada led—

**The Speaker:** The hon. leader of the New Democratic Party.

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, it was very important that 3,000 Canadians were there to help stiffen the backbone of the government to provide some input on human rights issues.

Over 90 trade union leaders in Colombia alone have been murdered in the past year. Assurances were given that the human rights agenda was the one that would predominate, and yet, in his only speech to delegates, the Prime Minister went on at considerable length about trade and the free trade agreement of the Americas and all but ignored human rights.

My question for the government is why?

**Mr. Denis Paradis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.):** Mr. Speaker, Canada is advancing four major points in Windsor. The first point is human security, as we discussed in the throne speech. The second point is human rights, which it is important. Democracy is an important issue also. The third point is the inclusion of civil society on the agenda. The fourth point is the agenda for the next summit of the Americas to be held in Quebec City next April.

We are speaking about human security. We are speaking about human rights.

\* \* \*

#### HUMAN RESOURCES DEVELOPMENT

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC):** Mr. Speaker, the recent disclosure by a staff member in the office of the Minister of Human Resources Development indicates that the problems in her department were known as early as October 20, and many would suggest earlier. On February 9 I asked the minister to inform Canadians on exactly what date she was first made aware of the problems.

• (1430)

Given today's disclosure, does she stand by her earlier answer that she was not aware of those problems until November 17?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Yes, Mr. Speaker.

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC):** Mr. Speaker, given the spinning, the nuancing and the attempts that have been made to backdate this, it is clearly impossible that the minister's office would not have kept such politically explosive information from her.

It is equally impossible to believe that someone did not tell the minister at least verbally that there was a serious problem within that department. Does the minister feel that Canadians can be misled and fooled into believing that she did not know this problem—

**The Speaker:** Order, please. Let us stay away from words such as misled. I want the member to go directly to his question.

**Mr. Peter MacKay:** It is down to a matter of trust. Does the minister believe that Canadians should trust her answer, given what has transpired in her department on her watch?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, in the final stages of completing the audit there was time for briefing that had to be organized. E-mails were exchanged but that is the process as it would be normally undertaken.

Again I say to the hon. member that it is clear. It is in the public record that my briefing was on November 17. There is nothing in the information that is being brought forward today that suggests anything otherwise.

**Mr. Chuck Strahl (Fraser Valley, Canadian Alliance):** Mr. Speaker, the minister is being ever so careful with the words she chooses when she talks about when she was first aware of the problems in her department. She keeps saying that prior to November 17 there was only preliminary work done on the audit.

In the briefing schedule for the minister that we received through access to information it says that on the afternoon of August 9 she received briefings on the transitional jobs fund, the Canada jobs fund, and grants and contributions because those were the hot issues of the day and the minister wanted to be briefed.

Did she or did she not receive a briefing on August 9 about those hot issues, the transitional jobs fund—

**The Speaker:** The hon. Minister of Human Resources Development.

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, we have talked about this on a number of occasions right in the House. I have said that indeed I talked and was concerned about specific projects from the transitional jobs fund and from the Canada jobs fund. There were many other issues of great concern to me as a new minister in this portfolio, and we talked about those as well.

**Mr. Chuck Strahl (Fraser Valley, Canadian Alliance):** Mr. Speaker, here are the facts. We know the HRD officials had a crisis management meeting in late July. On August 9 the minister received a briefing on the hot issues facing her department. We assume it included that information. On September 23 the media lines about audit were on the way to her office. On October 20 a key aide to the minister was aware of the audit. By November 5 even the Clerk of the Privy Council knew about the audit.

*Oral Questions*

The minister knew about the boondoggle audit before November 17 and yet she told Canadians something different, or she was the last one in the entire government to know about it. Which is it?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, there is nothing new here. The facts remain as they are. Indeed an audit was being undertaken in the department. Work was being done as a result of preliminary results of that audit. That is fully appropriate. I was briefed on the whole audit and the management response once that work was completed. That was on November 17.

What is critically important here is that we, once the management response was strengthened, provided information to Canadians that we had a problem, that we were prepared to deal with it, that we were going to fix it, and we are doing just that.

[Translation]

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, I listen to the minister. She tells us that all of the department's senior officials discussed the problem. Her staff discussed it. E-mails were sent. Officials from the various regions of Canada met to discuss it, but she was not aware.

I imagine that, when she joined the department, they said "Not a word, here comes the minister. She must not know".

Does she think we really believe her? Is she credible? Who besides her believes her?

[English]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, when it comes to trust the Canadian people can trust me to respect them. When it comes to trust, the Canadian people can trust me to tell them the good news but also to tell them when we have problems, to identify how we are going to fix them, and to go ahead and fix them.

• (1435)

When it comes to trust, the Canadian public can trust me to stand up against this kind of questioning which takes us back in time over issues that are a matter of public record and to confirm to the Canadian public that I am prepared to deal with tough issues to find the solutions with respect to their interests for the country.

[Translation]

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, incredible statements are being made here.

I see the minister smiling often. I wonder what she finds funny in the fact that millions of dollars are beyond administrative control and that 13 investigations are being carried out by the RCMP in her department. What is funny about that? What is funny about trying to get people to believe such totally crazy things?

Is this minister finally going to understand that she is destroying the image, not only of this government, but of politics in general with this attitude, which shows no respect for the House, parliament and the public.

**The Speaker:** I think we are coming very close to using unparliamentary language. It is time to calm down a little. The Minister of Human Resources Development.

[English]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, it is out of respect for the Canadian people that I made the internal audit public. It is out of respect for the Canadian people that we provided to the House 10,000 pages documenting where the grants and contributions, their tax dollars, were being invested right across the country.

It is out of respect for the Canadian people that my department reviewed 17,000 active files and identified quite clearly that this was not an issue of money but an issue of important paperwork being missing. For me, having that paperwork is fundamental and that is why we have taken—

**The Speaker:** The hon. member for Medicine Hat.

**Mr. Monte Solberg (Medicine Hat, Canadian Alliance):** Mr. Speaker, the minister has talked all around this issue. I want a very specific answer. We have access to information documents that show she had a briefing on August 9 during which CJF, TJF, and grants and contributions were discussed.

My question is very specific. Was the issue of the internal audit brought up at that briefing? Yes or no.

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, the issue of the internal audit was not brought up at that meeting. Let us look at what was: employment insurance, post-secondary education, seniors pensions, child poverty and, yes, the transitional jobs fund, all things that we know are of no interest to that party.

**Mr. Monte Solberg (Medicine Hat, Canadian Alliance):** Mr. Speaker, the briefing was supposed to give the minister some sense of what the hot issues were in her department. Now we have a situation where the minister has just told the House that according—

**Some hon. members:** Oh, oh.

**The Speaker:** Order, please. We will hear the question.

**Mr. Monte Solberg:** The minister had a briefing on the 9th. She was told that she was going to get all the information on the hot issues. Now she is saying that her own department would not give her the information about something as hot as that internal audit.

If the minister is that incompetent that she does not know what is going on in her department, will she resign?

*Oral Questions*

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, what is hot here is that hon. member's imagination. He and other journalists can look for something sinister in all this, but I am sorry, it is all about mundane scheduling.

I say again, based on preliminary results from the internal audit which was not completed until late in the fall, the department was preparing a management response. Then they brought it to my attention. There is no new information being brought forward to the House. The facts remain as they always have been.

\* \* \*

[Translation]

**CANADA INFORMATION OFFICE**

**Mr. Ghislain Lebel (Chambly, BQ):** Mr. Speaker, when the Minister of Public Works and Government Services wanders around Quebec, it costs the taxpayers big bucks. For instance, Michèle Tremblay has been receiving \$53,500 annually from the department for the past three years to provide communication services.

• (1440)

In addition, Ms. Tremblay's firm receives contracts from the Canada Information Office, the CIO, to organize tours, including drafting speeches.

Will the Minister of Public Works and Government Services explain why he is paying Michèle Tremblay twice for the same services?

**Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, first, I wish to point out to the member that I have a number of responsibilities: Canada Post Corporation, CMHC, the CIO and the Department of Public Works and Government Services.

Second, all contracts complied with treasury board regulations and were put out to tender.

**Mr. Ghislain Lebel (Chambly, BQ):** Mr. Speaker, will the minister, who is also the chief organizer for the Liberal Party of Canada in Quebec, tell us whether the reasons he paid Michèle Tremblay twice for the same work had to do with his officials' inability to prepare his tours, or was it because the CIO is supposed to pay for strictly partisan communications?

**Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.):** No, Mr. Speaker.

I have already explained that the ministerial tour of Quebec is strictly governmental. We meet with municipal representatives, chambers of commerce and community groups for the purpose of discussing Government of Canada programs. While there, we listen to them, so that our programs will reflect public needs.

[English]

**HUMAN RESOURCES DEVELOPMENT**

**Mr. Jay Hill (Prince George—Peace River, Canadian Alliance):** Mr. Speaker, on November 3, the member for Calgary—Nose Hill asked the HRDC minister about mismanagement of the transitional jobs fund. The minister said:

In terms of the projects... they were managed appropriately. They went through the acceptable review process.

Yet today the minister admitted that she knew about the problems when she was briefed on August 9. Perhaps she did not know about the specific audit, but she clearly knew about the so-called hot issues and yet she kept that information from the House.

In light of the breach of trust with Canadians, will the minister do the honourable thing and resign?

**Some hon. members:** Oh, oh.

**The Speaker:** Order, please. I ask the hon. member to please withdraw the words breach of trust.

**Mr. Jay Hill:** I will, Mr. Speaker.

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, let us remember what the internal audit was all about. It was not about money. We have shown that the money is clearly invested in programs right across the country, even in the hon. member's riding. What it was about was missing paperwork, important paperwork.

We made it clear to the Canadian public that we had an issue there. We have made it clear to the Canadian public that we have a strategy to fix the problem. If the hon. member would spend more time talking about the results of the work to date, he would be able to say to the Canadian public we believe the government has this thing in hand, because indeed we do.

**Mr. Jay Hill (Prince George—Peace River, Canadian Alliance):** Mr. Speaker, the audit was about the government's mis-handling and mismanagement of tax dollars. Not only was the minister aware of the hot issues in August. She disregarded it and continued to write cheques for a further \$425 million without changing a single procedure.

A responsible minister would have suspended the program until it was accountable, not this minister. She just kept right on trying to buy the votes of Canadians. In light of the fact that the HRDC minister continued to write cheques, will she now do the honourable thing and resign?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, now we get to the heart of the problem,

*Oral Questions*

the problem we have always known to be the truth, that that party does not believe the government has any business working with Canadians from coast to coast to coast to help them with their problems.

Again we see that party wants nothing but tax cuts, but on this side of the House we are prepared to defend, to support and to ensure that we have the administrative structure in place to be sure that we can help Canadians with disabilities, help young people who are having difficulty finding work and Canadians who want to improve their literacy skills. That is what we believe in.

\* \* \*

[Translation]

**CANADA INFORMATION OFFICE**

**Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ):** Mr. Speaker, the Minister of Public Works and chief organizer of the Liberal Party of Canada in Quebec not only awarded two parallel contracts to Michèle Tremblay to organize his tours to Quebec, but he also awarded a third contract for the same visits, this time to the firm Communications et Stratégie, whose boss, Serge Paquette, is a former candidate for the Liberal Party of Canada.

Could the minister explain to taxpayers how he can pay friends of the Liberal Party three times to organize his visits to Quebec?

• (1445)

**Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, as I said, it is clear that Bloc Québécois members are getting nervous about our ministerial tours.

I want to share with the House what I read in *L'information du Nord* of November 20, 1999:

Municipal authorities, officials from the chamber of commerce and the economic development centre, representatives of the senior citizens group, all enjoyed this meeting of about one hour with Mrs. Robillard, who is on a provincial tour. Several future projects for Sainte-Agathe were discussed. The minister was informed about our situation, while we learned more about available programs.

The comments of the mayor of Sainte-Agathe—

**The Speaker:** The hon. member for Ottawa Centre.

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[English]

**INFRASTRUCTURE**

**Mr. Mac Harb (Ottawa Centre, Lib.):** Mr. Speaker, my question is for the President of the Treasury Board.

In the Speech from the Throne, the government indicated its intention to invest in infrastructure. Would the minister consider supporting local initiatives, such as convention centres or local bridges, as part of this infrastructure initiative?

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.):** Mr. Speaker, in the near future we will negotiate formally with the provinces on the new infrastructure program for municipalities. It is with the clear support of the Canadian Federation of Municipalities that priority will be given to green infrastructure, but other kinds of projects will be accepted too.

The program will be designed with a bottom up approach so that the needs of the local communities will be answered.

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**HUMAN RESOURCES DEVELOPMENT**

**Ms. Val Meredith (South Surrey—White Rock—Langley, Canadian Alliance):** Mr. Speaker, the minister maintains that she knew nothing about the internal audit until November 17. We now know that her own ministerial staff knew four weeks earlier. That means one of two things: Either the minister has no idea what is happening in her office, or her staff is keeping her out of the loop. Either way, there is only one thing that the minister can admit to and that is that it is time for her to resign.

There is only one thing that Canadians want: A minister who not only knows what is going on in her department but who is in control of what is going on in her department.

How is it possible that a minister with a multibillion dollar budget can be so unconcerned about what happens in her department? Will the minister do the right thing and resign today?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, did I show I was unconcerned by making the internal audit public? Did I show I was unconcerned by bringing 10,000 pages of documentation to the House to demonstrate where the grants and contributions went and where that money that is so important to us is invested?

Did I show I was unconcerned by asking my department to review 17,000 files to prove that a billion dollars was not missing but that it was a question of paperwork and to show that we can indeed create a new system of administration to support these grants and contributions? I think not.

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**DEVCO**

**Mr. Peter Mancini (Sydney—Victoria, NDP):** Mr. Speaker, on Friday, the Parliamentary Secretary to the Minister of Natural Resources said that the government would review the Devco arbitrator's decision carefully so that the government understood its implications.

Will the minister indicate today that the government accepts the binding nature of the decision, that the government will not be

*Oral Questions*

appealing the decision and that the government will implement the decision as quickly as possible?

**Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.):** Mr. Speaker, I said all that on Friday.

**Mrs. Michelle Dockrill (Bras d'Or—Cape Breton, NDP):** Mr. Speaker, after 18 months of uncertainty and suffering, Cape Breton miners have finally had this minister and the government acknowledge that their human resource package was inadequate.

Will the minister tell the House today whether or not the money related to the arbitrator's decision is new money or will it come from money already allocated for Cape Breton?

**Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.):** Mr. Speaker, we are in the process of precisely determining the financial implications of the arbitrator's decision. I am pleased that process has come to a successful conclusion. To the extent that arbitration award requires incremental funding from the Government of Canada, the Government of Canada will provide it.

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• (1450)

**HUMAN RESOURCES DEVELOPMENT**

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC):** Mr. Speaker, the minister is obviously trying very hard to distract and deflect. We are not talking about simple briefings. We are not talking about the mismanagement of millions of dollars. We are not talking about the entire audit.

I want to ask the minister a very straightforward question, a question that has been asked before. Is she telling Canadians that she had no knowledge, none, of the problems in her department prior to the date of November 17 which she stated in the House?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, when it comes to the question of the internal audit, that comprehensive review of all the programs in my department, I was briefed on November 17.

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC):** Mr. Speaker, I hope Canadians are watching this spectacle because she has refused to answer a straightforward question. She professes to have respect for the Canadian people, but it is only after an access to information request and she is dragged kicking and screaming to the altar of truth that she comes up with an answer.

**Some hon. members:** Oh, oh.

**The Speaker:** Order, please. Go directly to your question, please.

**Mr. Peter MacKay:** Mr. Speaker, Canadians have watched this sad chapter long enough. Will the minister herself tell us if she is running the department or is the department running her? Is she just giving us a further runaround?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, these questions today come as a result of information that was released by my department subject to an access request. The parties opposite are asking questions, the same questions they asked months ago, for which I provided answers months ago. What is so interesting here is that the answers remain the same. There is nothing new here despite the sinister suggestions of the opposition.

This is about mundane scheduling. This is about the process of government. This is about a department that was responding to preliminary results of an internal audit and then preparing to brief the minister, nothing more.

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**THE RCMP**

**Mr. John Harvard (Charleswood St. James—Assiniboia, Lib.):** Mr. Speaker, my question is for the Secretary of State responsible for Western Diversification.

The colourful history of the RCMP dates back to the opening of the west. In that regard, I am sure the minister would be happy to tell the House about Friday's launch of the new RCMP heritage centre in Regina.

**Hon. Ronald J. Duhamel (Secretary of State (Western Economic Diversification)(Francophonie), Lib.):** Mr. Speaker, it was my privilege to announce a \$4.2 million dollar project that came from the partnership agreement with the federal government and the province. This will be matched by a local committee of the private sector by \$2.1 million.

Why was this done? It was done to celebrate the RCMP, its great accomplishments for Canada and its prospects of continuing to be a worldclass police force in the future. This is another tourist attraction for Saskatchewan and it is an excellent one. We should be applauding this kind of announcement.

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**HUMAN RESOURCES DEVELOPMENT**

**Mr. Charlie Penson (Peace River, Canadian Alliance):** Mr. Speaker, it is obvious that there must be an election in the air.

My question is for the HRDC minister. The assistant to the minister's executive assistant—

**Some hon. members:** Oh, oh.

*Oral Questions*

**The Speaker:** Order, please. We deserve to hear the question as well as the answer. The hon. member for Peace River.

**Mr. Charlie Penson:** Mr. Speaker, the assistant to the minister's executive assistant over at HRDC knew about the audit on October 20. It seems reasonable that her executive assistant must have also known. Who else knew: Her chief of staff or her executive secretary? If those people did know, why did they not tell the minister? Maybe they thought she was just a stooge over at that department.

**The Speaker:** I would like the hon. member to withdraw the word stooge.

**Mr. Charlie Penson:** Mr. Speaker, I withdraw that word and put in its place stand-in.

**The Speaker:** If the minister wishes, she may answer.

\* \* \*

• (1455)

[Translation]

**IMPORTATION OF PLUTONIUM**

**Ms. Jocelyne Girard-Bujold (Jonquière, BQ):** Mr. Speaker, at a meeting held this past weekend between American President Bill Clinton and Russian President Vladimir Putin, the two heads of state agreed to dismantle part of their arsenal of ballistic missiles, which at the moment represents over 60 tonnes of plutonium.

After the government has unilaterally accepted on principle the importation of over 50 tonnes of MOX plutonium, can the Minister of Natural Resources tell us whether these new quantities will be added to what we are already expecting from the U.S. and Russia?

[English]

**Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.):** No, Mr. Speaker. Canada has undertaken to test certain quantities of MOX fuel to determine their suitability in nuclear reactors such as the CANDU. There has been no agreement, indeed, not even a request for an agreement to move beyond the test.

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**HOMELESSNESS**

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, for the second time the government has announced its homelessness strategy. For the second time there is no sign of actual housing being built. The harsh reality is that Canadians will be sleeping on the streets and shelters tonight.

How does the minister come to terms with the fact that since the first announcement in December, 20 homeless people have died in Toronto?

Homeless people do not need public relations, they need social housing. Will this government commit to a plan that includes rather than excludes social housing, yes or no? Will it build housing?

**Mrs. Judi Longfield (Parliamentary Secretary to Minister of Labour, Lib.):** Mr. Speaker, the hon. member will know that \$305 million has been allocated to give supportive housing for people who find themselves homeless.

Provincial facilitators are working in each of the communities to come up with the best plans to suit each individual community.

\* \* \*

[Translation]

**OFFICIAL LANGUAGES**

**Mr. André Bachand (Richmond—Arthabaska, PC):** Mr. Speaker, there is already one minister who always cringes at the sound of the words "internal audit".

Now we learn that several internal audits have been called for within Heritage Canada. Knowing in advance what the minister would answer, I am addressing my question to the person responsible for the proper conduct of internal audits, the President of Treasury Board.

What does the President of Treasury Board intend to do to ensure that there are proper internal audits carried out soon within the official languages program, one that is often questioned in this House, and that these are, of course, made public?

**Hon. Sheila Copps (Minister of Canadian Heritage, Lib.):** Mr. Speaker, I would like to begin by stating that, at the present time, thanks to the official languages program, we have 2.7 million young Canadians who have learned the other official language.

What is important is that, when an agreement is signed, the government of the province delivering the agreement is in fact audited daily through their public accounts.

\* \* \*

[English]

**INFRASTRUCTURE**

**Mrs. Karen Kraft Sloan (York North, Lib.):** Mr. Speaker, the municipalities of Georgina, East Gwillimbury, Newmarket and King in my riding of York North are concerned about improving and greening their infrastructure.

Could the Minister of Natural Resources tell the House how the two green funds launched this weekend in London can help these municipalities? What role will the Federation of Canadian Municipalities play?

**Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.):** Mr. Speaker, Canadian municipalities are very strong advocates of

effective early action to combat climate change and other environmental challenges.

In the 2000 federal budget we ear-marked \$125 million to assist municipalities to advance that work, \$25 million for an enabling fund to help them identify needs and solutions and \$100 million in a revolving fund to help in the financing of specific projects. The funding will be managed by councils and review committees set up by the Federation of Canadian Municipalities. The Government of Canada is proud to be their partner.

\* \* \*

#### PRESENCE IN GALLERY

**The Speaker:** I draw the attention of hon. members to the presence in the gallery of one of my brother speakers, the hon. Lloyd Snow, Speaker of the Legislative Assembly of Newfoundland and Labrador.

**Some hon. members:** Hear, hear.

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## ROUTINE PROCEEDINGS

• (1500)

[English]

#### WAYS AND MEANS

##### NOTICE OF MOTION

**Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.):** Madam Speaker, pursuant to Standing Order 83(1), I wish to table a notice of ways and means motion respecting amendments to the Income Tax Act, the income tax application rules, and certain acts relating to the Income Tax Act.

These measures implement the brilliant budget policies of our finance minister and the government. I ask that an order of the day be designated for the consideration of this motion.

\* \* \*

#### GOVERNMENT RESPONSE TO PETITIONS

**Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Madam Speaker, pursuant to the standing orders, I have the honour to table in both official languages the government's responses to 20 petitions.

\* \* \*

[Translation]

#### INTERPARLIAMENTARY DELEGATION

**Hon. Charles Caccia (Davenport, Lib.):** Mr. Speaker, pursuant to Standing Order 34(1), I have the honour of presenting to the

#### Routine Proceedings

House, in both official languages, the report of the Canada-Europe Parliamentary Association, which represented Canada at the meetings of the committee on economic affairs and development and at the first part of the 2000 session of the parliamentary assembly of the Council of Europe held in London, England, and in Strasbourg, France, from January 18 to 29, 2000.

[English]

Pursuant to Standing Order 34(1), I also have the honour to present to the House in both official languages the report of the Canada-Europe Parliamentary Association which represented Canada at the 24th European Parliament-Canada interparliamentary meeting in Brussels from March 18 to 25, 2000.

• (1505)

[Translation]

Pursuant to Standing Order 34(1), I have the honour of presenting to the House, in both official languages, the report of the Canada-Europe Parliamentary Association, which represented Canada at the meetings of the committee on economic affairs and development and at the second part of the 2000 session of the parliamentary assembly of the Council of Europe held in Paris, France, from March 29 to 31, 2000, and in Strasbourg, France, from April 3 to 7, 2000.

\* \* \*

[English]

#### COMMITTEES OF THE HOUSE

##### FISHERIES AND OCEANS

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Madam Speaker, I have the honour to present in both official languages the sixth report of the Standing Committee on Fisheries and Oceans.

Pursuant to Standing Order 108(2), your committee recommends that it be granted leave to travel from October 15 to 25, 2000 to Quebec, New Brunswick, Maine, Nova Scotia, Newfoundland and Labrador, and P.E.I. to continue its comprehensive study on aquaculture, the statutory review of the Oceans Act and of other fisheries issues; that the committee be composed of two Canadian Alliance members, one Bloc member, one NDP member, one PC member and five Liberals; and that the necessary staff do accompany the committee.

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

**Mr. Wayne Easter (Malpeque, Lib.):** Madam Speaker, I have the honour to present three further reports on behalf of the Standing Committee on Fisheries and Oceans.

I have the honour to present in both official languages the seventh report of the Standing Committee on Fisheries and Oceans.

*Routine Proceedings*

Pursuant to Standing Order 108(2), your committee recommends that it be granted leave to travel to Chile during the month of November 2000 to continue its comprehensive study on aquaculture; that the committee be composed of two Canadian Alliance members, one Bloc member, one NDP member, one PC member and five Liberal members; and that the necessary staff do accompany the committee.

I have the honour to present in both official languages the eighth report of the Standing Committee on Fisheries and Oceans.

Pursuant to Standing Order 108(2), your committee recommends that it be granted leave to travel to Ontario during the month of October 2000 to continue its comprehensive study on aquaculture; that the committee be composed of two Canadian Alliance members, one Bloc member, one NDP member, one PC member and five Liberal members; and that the necessary staff do accompany the committee.

Finally, I have the honour to present in both official languages the ninth report of the Standing Committee on Fisheries and Oceans.

Pursuant to Standing Order 108(2), your committee recommends that it be granted leave to travel to Japan during the month of February 2001 to continue its comprehensive study on aquaculture; that the committee be composed of two Canadian Alliance members, one Bloc member, one NDP member, one PC member and five Liberal members; and that the necessary staff do accompany the committee.

## JUSTICE AND HUMAN RIGHTS

**Hon. Andy Scott (Fredericton, Lib.):** Madam Speaker, I have the honour to present in both official languages the fourth report of the Standing Committee on Justice and Human Rights.

Pursuant to the order of reference of Friday, May 12, 2000, your committee has considered Bill S-10, an act to amend the National Defence Act, the DNA Identification Act and the criminal code, and has agreed to report it without amendments.

## FINANCE

**Mr. Maurizio Bevilacqua (Vaughan—King—Aurora, Lib.):** Madam Speaker, I have the honour to present in both official languages the eighth report of the Standing Committee on Finance entitled “Prevention Today—Savings Tomorrow” in relation to its study of a natural disaster reduction plan.

During the past three years the work of the finance committee has focused on improving the standard of living for Canadians by way of sound public policy that manages our resources efficiently and enhances productivity. Today we face a growing exposure to losses from natural disasters, a concern we have conveyed in our

prebudget consultation reports. In fact over the last two decades, disaster recovery payments of this country have been doubling every five to ten years.

This report highlights the findings from our consultations with expert witnesses and sets out the committee’s recommendations for addressing this very important challenge.

\* \* \*

[Translation]

## COPYRIGHT ACT

**Mr. Pierre de Savoye (Portneuf, BQ)** moved for leave to introduce Bill C-485, an act to amend the Copyright Act (Minister).

• (1510)

He said: Madam Speaker, the bill I am introducing today proposes that the Minister of Canadian Heritage become the minister responsible for the application of the Copyright Act, except for the purposes of section 44.1 of that act.

This bill is in response to the almost unanimous request of copyright holders who, faced with the Minister of Industry’s careless handling of the Copyright Board, are asking that responsibility for the board be turned over to the Department of Canadian Heritage.

This request has been made repeatedly by the Society of Composers, Authors and Music Publishers of Canada, known as SOCAN, as well as by the largest Canadian agency representing the cultural sector, the Canadian Conference of the Arts.

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

\* \* \*

[English]

## MARINE LIABILITY ACT

**Hon. Arthur C. Eggleton (for the Minister of Transport, Lib.)** moved that Bill S-17, an act respecting marine liability and to validate certain by-laws and regulations, be read the first time.

(Motion deemed adopted, bill read the first time)

\* \* \*

## NATIONAL DEFENCE ACT

**Hon. Arthur C. Eggleton (Minister of National Defence, Lib.)** moved that Bill S-18, an act to amend the National Defence Act (non-deployment of persons under the age of 18 years to theatres of hostilities), be read the first time.

(Motion deemed adopted, bill read the first time)



## COMMITTEES OF THE HOUSE

## FISHERIES AND OCEANS

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Madam Speaker, if the House gives its consent, I move that the sixth report of the Standing Committee on Fisheries and Oceans presented to the House earlier this day be concurred in.

**The Acting Speaker (Ms. Thibeault):** Does the hon. member have the unanimous consent of the House to move the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

\* \* \*

## PETITIONS

## GENETICALLY MODIFIED ORGANISMS

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Madam Speaker, I am very honoured and pleased to present a petition that is very timely and important in terms of the debate and dialogue we are having in this place.

The petition is signed by numerous constituents who are concerned about biotechnology. They call upon parliament to implement legislation for clear labelling on all genetically engineered seed and foods derived from, processed with, containing or consisting of genetically engineered organisms before they are released into any and all commercial markets.

I am pleased to table this petition on behalf of my constituents.

• (1515)

## CHILD TAX BENEFIT

**Mr. Maurizio Bevilacqua (Vaughan—King—Aurora, Lib.):** Madam Speaker, I have a number of petitions which I wish to present.

The first petition calls upon parliament to build on previous actions to assist families through the Canada child tax benefit.

## PRODUCTIVITY

**Mr. Maurizio Bevilacqua (Vaughan—King—Aurora, Lib.):** Madam Speaker, I present a petition which calls upon parliament to undertake a comprehensive strategy for productivity enhancement.

## THE ECONOMY

**Mr. Maurizio Bevilacqua (Vaughan—King—Aurora, Lib.):** Madam Speaker, I present a petition which calls upon parliament to

*Routine Proceedings*

continue to use prudent economic assumptions in the formulation of the budget.

## RESEARCH AND DEVELOPMENT

**Mr. Maurizio Bevilacqua (Vaughan—King—Aurora, Lib.):** Madam Speaker, I present a petition which calls upon parliament to continue to support research and development.

## TAXATION

**Mr. Maurizio Bevilacqua (Vaughan—King—Aurora, Lib.):** Madam Speaker, I present a petition which calls upon parliament to announce a timetable for the elimination of the 5% surtax.

## THE ECONOMY

**Mr. Maurizio Bevilacqua (Vaughan—King—Aurora, Lib.):** Madam Speaker, I present a petition which calls upon parliament to ensure that Canada's debt to GDP ratio remains on a permanent downward track.

## EMPLOYMENT INSURANCE

**Mr. Maurizio Bevilacqua (Vaughan—King—Aurora, Lib.):** Madam Speaker, I present a petition which calls upon parliament to continue to reduce employment insurance premiums.

## THE DEBT

**Mr. Maurizio Bevilacqua (Vaughan—King—Aurora, Lib.):** Madam Speaker, I present a petition which calls upon parliament to continue to apply the contingency reserve, which is set at \$3 billion per year, to debt reduction.

## AGRICULTURE

**Mr. Rick Borotsik (Brandon—Souris, PC):** Madam Speaker, I wish to present a petition which has four parts and 189 pages in total. The petitioners request that the government support Canadian agriculture. They indicate that we need a level playing field with respect to the subsidies that are being paid by the Europeans and the Americans. The petitioners are calling for \$1 billion for an agricultural trade equalization payment for all Canadian farmers.

I respectfully submit this petition on behalf of my constituents.

[*Translation*]

## GASOLINE PRICING

**Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.):** Madam Speaker, I have the honour to table two petitions.

The first is from petitioners in Joliette, Longueuil, Saint Lambert, Brossard, Boucherville, Saint-Georges-de-Beauce and Sainte-Julienne, who are protesting predatory gasoline pricing.

*Routine Proceedings*

Given the soaring price of gasoline at the pump and Canadian consumers' inability to take action and protect themselves against increases in gasoline prices, the petitioners are calling on parliament to pass a resolution to stop world petroleum cartels in order to bring down overly high gasoline prices.

The second petition is from petitioners in Gatineau, Montreal, Terrebonne, Drummondville, Chambly, Longueuil, Labelle, Saint-Jérôme, Saint-Jovite and Blainville and deals with the same topic, predatory gasoline pricing.

Given the soaring price of gasoline at the pump and Canadian consumers' inability to take action and protect themselves against increases in gas prices, the petitioners are calling on parliament to pass a resolution to stop world petroleum cartels in order to bring down overly high gasoline prices.

[*English*]

## SEXUAL ASSAULT

**Mr. Chuck Cadman (Surrey North, Canadian Alliance):** Madam Speaker, pursuant to Standing Order 36, I wish to present a petition containing the names of some 5,800 citizens who call on parliament to enact legislation which would increase the sanctions against those who perpetrate sexual assault on minors.

## CHILD PORNOGRAPHY

**Mr. Norman Doyle (St. John's East, PC):** Madam Speaker, I have the honour to present a petition on behalf of approximately 300 people from St. John's East who are concerned that the British Columbia Court of Appeal on June 30, 1999 dismissed the appeal to reinstate subsection 163.1(4) of the criminal code, making possession of child pornography illegal in British Columbia. The petitioners state that by upholding the lower court decision possession of child pornography in British Columbia is now legal. The petitioners state that the well-being and safety of children are in jeopardy. Therefore, the petitioners call upon parliament to invoke section 33 of the charter of rights and freedoms, commonly known as the notwithstanding clause, to override the B.C. court of appeal decision, and to reinstate subsection 163.1(4) of the criminal code, making the possession of child pornography in British Columbia illegal, and by so doing reinforce and affirm our objection to the B.C. court of appeal decision.

• (1520)

## IMMIGRATION

**Mr. Gary Lunn (Saanich—Gulf Islands, Canadian Alliance):** Madam Speaker, I have two petitions which I would like to table. The first petition contains 200 signatures, which will add to the

over 12,000 signatures I tabled in the House. The petitioners are calling for a change to our immigration system which would allow us to honour our commitment under the Geneva convention to bring in genuine economic refugees and enable them to make a home as soon as possible.

## HIGHWAYS

**Mr. Gary Lunn (Saanich—Gulf Islands, Canadian Alliance):** Madam Speaker, the second petition I present on behalf of the British Columbia Automobile Association and it contains 106 signatures. The petitioners ask that the federal government start to invest money in our road infrastructure. They state that the condition of our roads contributes to thousands of lost lives and injuries every year right across this country, and that putting more money into our roads would improve trade opportunities, job creation and tourism.

## TAXATION

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Madam Speaker, I rise to present several petitions. The first petition contains some 50 signatures from residents of Windsor, Ontario and St. John's, Newfoundland. The petitioners pray that the government will appeal its recent amendments to the Canada-U.S. tax treaty which negatively affect social security recipients who are residents of Canada. It is an unfair tax grab on seniors.

I am also pleased to table four petitions with some 800 signatures from Canadians from five provinces. The petitioners call on the federal government to end the discrimination in the tax code against single income families with children and to correct the inequities in the federal tax code so that there is equitable treatment of all families with children.

I would also like to table two petitions, containing some 400 signatures, mainly from Albertans. The petitioners call on the federal government to reduce the tax burden on the Canadian economy and on Canadian families through a tax cut of at least 25% over the next three years.

\* \* \*

[*Translation*]

## QUESTIONS ON THE ORDER PAPER

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

**The Acting Speaker (Ms. Thibeault):** Is that agreed?

**Some hon. members:** Agreed.

## GOVERNMENT ORDERS

[English]

### BUDGET IMPLEMENTATION ACT, 2000

The House resumed consideration of the motion that Bill C-32, an act to implement certain provisions of the budget tabled in parliament on February 28, 2000, be read the third time and passed.

**Mr. Rob Anders (Calgary West, Canadian Alliance):** Madam Speaker, when I was interrupted by question period I was going through the 62 different tax increases which the Liberals have brought in since they formed the government in 1993. I was looking at what type of money the Liberals had brought in with the tax increases and what they were doing with that money.

I talked about the tax increases which were implemented in 1994 and 1995. In 1996 the Liberals increased personal income taxes 11 times and took \$260 million out of the pockets of individual taxpayers. They did that through an RRSP contribution limit freeze, which broke an election promise I might add. Then they went to pension plan contribution limits being frozen, once again breaking an election promise. Then they forced seniors to begin early withdrawals from their RRSPs. Then the Liberals forced seniors to begin early withdrawals from their RPPs. It gets better. The Liberals went on to eliminate the deductibility of administration fees for RRSPs. They forced people to pay for the fees, which they had not done before. They then went on to eliminate the deductibility of administration fees for RRIFs. The Liberals took \$260 million out of people's pockets.

• (1525)

I previously commented on something else the Liberals did in 1996. They increased taxes on Canadian pensioners abroad. They fleeced seniors for another \$10 million. They did not just stop with individual income tax increases. No, the Liberals had more on their agenda. They increased the burden by \$10 million on the overseas employment tax credit for people who could not find a job in Canada, probably due to high taxes.

It always raises the question, with \$260 million in personal income tax increases and \$70 million in three corporate tax increases which the Liberals brought in in 1996, for a total increased tax burden of \$330 million, what types of things did the Liberals do with that extra \$330 million?

There is a program in Prince Edward Island called "I want to be a millionaire". It cost \$31,000. Six average taxpayers had to pay their full tax bills just so the Liberals could have that program. What they did not tell people was that the government was making

### Government Orders

a number of people millionaires that year, and they happened to be the cronies and friends of the Prime Minister.

That program was not how to raise money for Jean, or somebody with that first name. It was not about raising money for the Prime Minister, and therefore getting all sorts of lucrative contracts. That was not what that program was about, but that is the reality of it. These Liberals are very good about lining the pockets of those who support them, and lining the pockets of the friends of the Prime Minister. It does not even matter if they are Canadians. They can be overseas for all they care. They make sure that they look after their own.

If someone gives a couple of thousand dollars to the Prime Minister's campaign in Shawinigan, it is a sure bet there will be a sweet deal on a hotel or something else. That is a shame.

What else did the Liberals spend the \$330 million on that they took out of taxpayers in 1996? They spent \$100,000 to establish an 18-hole golf course in Sudbury. That is pretty serious money for the average person. As a matter of fact, 21 taxpayers had to pay to the government income tax on everything they made. Twenty-one people paid tax to establish the golf course in Sudbury. There are plenty of golf courses which the government has subsidized. Sudbury is but one of a long list.

What business is it of the government to take money from 21 hard-working Canadians, their full tax bills, to subsidize golf courses? How do the Liberals account for that type of spending? Is that the justification they use for \$330 million more in the form of tax increases in 1996? They ought to hang their heads in shame.

I will get to the most egregious of all. What did the Liberal Party of Canada receive from the taxpayer? How much did the taxpayers who never voted Liberal contribute to the Liberal Party? Over \$2 million in a tax subsidy.

These budget bills are a sham. What the Liberals do not say is that they have hiked taxes 62 times since they took office in 1993. There have been 27 corporate tax increases, 22 personal income tax increases, six bracket creep increases and seven Canada pension plan increases. What was all of this for? It was for sex changes for soldiers, an unelected Senate, a fountain in Shawinigan, the Prime Minister's cronies, dumb blonde joke books, *Bubbles Galore*, meat dresses, HRDC boondoggles, studies for lawn ornaments, Bombardier, other forms of corporate welfare, as well as \$200 million which was wasted in the budgetary estimate of HRDC. Shame on the government for taking that money from taxpayers.

• (1530)

**Mr. Werner Schmidt (Kelowna, Canadian Alliance):** Madam Speaker, I think I heard pretty well the hon. member's entire speech and I am not sure whether he mentioned anything about the debt

*Government Orders*

burden that exists today. He spent a lot of time talking about tax increases, where government is misspending its money and those kinds of things. I was very sympathetic to what he had to say.

I kept thinking of our new grandson who just came into the world. I look at that little boy and think about the debt burden he is carrying as a newborn child on the Canadian scene. We are getting nothing for that. We are paying interest charges of something like \$40 billion or \$42 billion a year. That is roughly half of what we need to pay for our health care expenses on an annual basis in Canada.

Could my colleague say something about the need for a plan to do two things? First, there is a need to balance the budget. Then there is a need to pay down the debt, and not in a happenstance kind of way where if we happen to have a little money left over we will pay down the debt a bit. Should there not be a systematic plan that would reduce the debt so that the burden on young children coming into the world today will be reduced somewhat? Could he comment on that?

**Mr. Rob Anders:** Madam Speaker, I appreciate the question of my hon. colleague. I would just like to say that I think the problem is even worse than what has been laid out.

We pay about \$42 billion a year in debt payments, in interest on the national debt of Pierre Elliott Trudeau and the Liberals across the way who helped to drag this country through the muck. It is just the tip of the iceberg. It means that we are looking at about \$20,000 for every man, woman and child in the country. The sad fact is that our demographics are such that not everyone will pay that bill.

For my hon. colleague and his grandchildren, the \$600 billion that Canada owes right now as a federal debt will be multiplied because of unfunded liabilities with regard to the Canada pension plan, land claims, irresponsible management in the country, and a demographic bubble that will burst in 2017 with regard to the aged and health care expenses.

This government and these Liberals are sleepwalking into a \$2 trillion debt in upcoming years. That means that for youngsters out there such as the grandchildren of my colleague it will not be owing a mere \$20,000. I want to let the grandchildren of today know that it will be closer to \$100,000 which they will pay. That is sitting on them right now even if this government or any other government never charged a dollar more to the debt of the country.

If they get a university education, if they pursue post-secondary education and raise their expectations for their standard of living and their wages, as their high school guidance counsellors tell them to do, it will mean a \$200,000 bill. It is as if a house is sitting on their shoulders for which they will have to pay. It is a house they

will never own but it is a debt given to them by the Liberals. Shame on them.

**Mr. Loyola Hearn (St. John's West, PC):** Madam Speaker, it is certainly an honour to stand here to say a few words on Bill C-32. Being a finance bill, it gives me a fair amount of flexibility. As it is my first speech in the House, I would like to thank the people of St. John's West who let me come here to represent them in this great institution.

• (1535)

Over the years Newfoundland has been represented by some tremendous politicians in this Chamber. I think of some great cabinet ministers. We had the Hon. Don Jamieson. We had the Hon. John Crosbie. Of course now in cabinet we have the hon. member for Gander—Grand Falls. As the great musical philosopher Meat Loaf would say, “Two out of three ain't bad”.

It is a great pleasure to represent such a great district. It is a province that has great riches but a province that has been treated very poorly.

[*Translation*]

I am very pleased to be with you all today, to share my vision, my hopes, my dreams and my aspirations for this great country.

[*English*]

However my dream of Canada is one where the provinces and the people are not only treated equally but are also treated fairly. Quite often to treat people equally does not mean that they are being treated fairly. As we look across this great country it is so diverse there is no way that a made in Ottawa or made in central Canada solution is one that works in other parts of the country.

Some people have asked me if being sworn in a few days ago or being able to make my maiden speech today will be my most memorable moment in politics. I have to say no. The one moment in my political life that will always stand out was the moment in the House of Assembly in Newfoundland on the night when we were debating the Meech Lake accord, the night when eight of the ten provinces had agreed to the accord. Out in Manitoba we had our friend waving his feather and holding up debate, yet knowing that the Manitoba legislature would agree to the Meech Lake accord.

In our own house of assembly, despite the fact that many of us fought for the implementation of that great accord so that all of us could come together as a nation, the premier of our province pulled the plug when he saw the support of his own party slipping away. He used the excuse that we were out of time. That was the night that I thought the future of Canada changed. I hope I am wrong but unfortunately I do not think I am.

Sometimes it is not that others are asking too much. It is that sometimes some of us are willing to give too little. I think in that

case we lost a tremendous chance to unify this great country. It may be some time before we get another. However, if we treat people fairly rather than just say we are treating them equally, perhaps that chance will come again.

I will use some of the topics in this bill to illustrate how my province of Newfoundland is being treated extremely unfairly. We have CHST funding. Before 1993 when the present government came into power, health care and post-secondary education were funded based on need. Provinces that needed got. Newfoundland at the time was a province in need, and we received a sufficient amount of funding.

Not long ago the federal and provincial governments shared on a 50:50 basis in funding health care. Today in Newfoundland the federal input to our health care budget is only 15%. We can just imagine what that does to the budget of a small province.

When the funding formula was changed to a per capita basis rather than a needs basis, most of the other provinces at least held what they had, if we factor in the cuts. Many of them received increased funding because of increasing populations. Many provinces have increasing populations because the young people who are leaving Newfoundland and going to places like Alberta, Ontario and British Columbia. These are young people of child bearing age who are not only adding themselves to the population but over the years will be adding their offspring to the population. The gain of other provinces is Newfoundland's loss. We are not only left with a rapidly declining population. We are left with an aging population.

• (1540)

When the CHST funding was changed we got a double whammy. We received fewer dollars and we have an aging population which eats up more of the health care dollars. The statistics show that about 60% of our budget is spent on people 65 years of age and over. Consequently we are suffering greatly from the change in funding.

This year we heard about the great one time supplement that was given to provinces. Newfoundland received \$42 million over four years. That equates to a little over \$10 million per year. Government members opposite will if that is not a tremendous extra addition to its budget. Over the last six years, because of a change in formula, we have lost \$750 million in CHST transfers. Is it any wonder that health care is in the state it is in? The poorer the province, the worse off it is becoming.

CHST transfers also include funding for post-secondary education, an area where we have been extremely lax. The greatest resource in our country is our young people. We are forgetting that and we are ignoring them. We are forgetting to invest in their futures.

### *Government Orders*

Because of the great demand on health care funding, much of the money designated to post-secondary education is swallowed up by the health care vacuum. The dollars have to be put into health care. The people who pay the price are those who should be the beneficiaries of post-secondary funding.

In countries such as Ireland and Iceland we see economies that have turned around tremendously. We can talk about the effect of the European common market on Ireland and how well it is treated in relation to holding on to its royalty payments, et cetera. However, if we talk to officials in the Irish government they will tell us that the turnaround started when they started recognizing their primary investment should be in young people.

Today, because of the investment and because of the opportunity that every young man and woman has to become educated without any great costs, and in some cases without any costs, the Irish economy has turned around tremendously. When industry beckoned they had a young, aggressive and educated workforce.

I ask where is our young, aggressive and educated workforce. In the case of Newfoundland, most of them are either moving to other parts of Canada or unfortunately along with our lobster friends in the other provinces are moving south of the border because they will make more money to offset the tremendous debt load upon leaving post-secondary institutions.

That is not the way to grow a country. The way to grow a country is to invest in our young people. It is something that the present government has to think about and then act upon. We are paying a heavy price now but we will pay a much greater price in the future.

Over the past year we have heard about the federal government having to pay the banks millions and millions of dollars because of their input into the student loans program and their inability to collect some of the money owed to them. Let us look at the horrendous service charges being suggested for handling loans for the government. If we add up the amount of money we pay the banks, if we look at the tremendous amount of service charges we pay, and if we look at the money lost that young people cannot pay back, which quite often drives them into bankruptcy, would it not be a lot more sensible if we took the dollars we are throwing away and invested them directly into the education of our young? It does not make any sense.

• (1545)

A few days ago I asked the Minister of Finance a question about CHST transfers. He basically sloughed it off by saying that the provinces were doing very well in equalization payments.

As I mentioned earlier, Newfoundland is a very rich province. It is rich in its resources, its people and its potential. Unfortunately, as it develops its resources every dollar received from royalties for the development of its mines, its offshore oil and other industries,

*Government Orders*

the federal government is there with its greedy hands to claw back anywhere from 75 cents to 90 cents of every dollar.

If we went to work today and made \$100 but on our way home someone took \$75, \$80 or \$90 from that \$100, how could we advance, progress and improve our lot in life? The answer is that we could not.

Let me use the European experience. As Ireland started to develop, the European common market had the sense to let it hold on to some of its own royalties so that it could invest in itself until it reached a certain plateau where it was equal with everyone else.

If Newfoundland was allowed to keep the money that its people earned, it could be a have province instead of being looked upon by many as the poor cousin in the country. Newfoundland is not the poor cousin. It could be a rich cousin. It could be a major contributor to this nation if this nation treated it fairly, not equally with a blanket rule made in central Canada, but fairly.

Labrador has major power developments. A contract was signed on the Upper Churchill years ago with our friends from Quebec. As we have been told by everyone, including the courts, a contract is a contract and we cannot blame our friends for that. Presently Newfoundland gets about \$10 million out of that contract each year in profits. Quebec gets closer to \$1 billion. Hopefully, as we negotiate the Lower Churchill and with the help and input of the federal government, the deal will be fairer and all partners will benefit. That is the way it should be in the Confederation of Canada.

Although the federal government allows provinces like Alberta to feed its pipelines through other provinces and have access to markets, it is unfortunate that it refuses to let Newfoundland have a power corridor through Quebec so that it can send power to the markets on the eastern seaboard. That is something for another day.

When we talk about fairness and equality let us look at the CBC. Yesterday my colleague from St. John's East and I had the opportunity to attend a rally sponsored by Friends of the CBC in St. John's, Newfoundland. Hundreds of people come out to tell the government that they do not want their evening news programs cut. Newfoundland and Labrador are spread out over a very large geographical area and the news coverage from that area is perhaps the only thing many of the hardworking people in Newfoundland get to see. Everyone looks forward to the evening news because it is local, it is relevant and it is news from all over our great province.

The government is now recapitulating a bit and is telling us that we can have half the program. It is saying that half a loaf is better than none and that we should be glad of it. Half is not good enough if the news program is very successful and very popular. Half or maybe none might be good enough in an area where the evening news programs are not even watched. I have no problem with programs being cut if nobody wants them. However, I do have a

problem with programs being cut that are essential to the culture, the history and the people of the province when that program is one of the most popular in the province. Hopefully the government will get some sense.

● (1550)

I am not blaming the board of directors at CBC. They can only do what they can with the money they have. In this case the money comes from here. It is the federal minister's responsibility to ensure that the CBC has enough funding for areas, and there are many across this great country, rural areas in particular, where their needs are best served by local programming, and in many cases that is sponsored by the CBC.

Let us look at the infrastructure. We have a harbour in St. John's, the first harbour to which any boat sailed to the island, if we look at it from the time of the European discovery in 1497. It is the oldest city in the province. It wreaks of sewage simply because this government has failed to come up with its share of the money to clean up the harbour. The municipalities have come to the table. The province has expressed its willingness to come to the table. The hesitancy is from the one-third input of the federal government. If the federal government came to the table, this major problem could be solved.

The adjacent cities of St. John's and Mount Pearl are the first stop basically for most people coming to our great province, a province that has more tourism potential than any other place in the world.

My own district, which surrounds St. John's, the southern shore, St. Mary's and Placentia Bay, are the oldest settled parts in North America. Every few miles there are a variety of attractions. Walking along the shore we can see major icebergs sculptured as only Michelangelo could do. We can watch whales in their natural environment and caribou on the opposite side in their natural environment. There are birds, salmon rivers, historic sites, old fortifications and great archaeological digs of the colony that Baltimore settled in Ferryland. We have some 550 million year old fossils at Mistaken Point and the world renowned bird sanctuary at Cape St. Mary's. I could go on and on. These are all within a few miles of a major capital city, a city that with some help from the federal government could be a clean and beautiful city.

Those are the fair treatments for which we are looking. In transportation, Newfoundland, being an island, is now being held hostage by two monopolies. Marine Atlantic is the only ferry service to our island and over this last couple of years we have had our battles. This year a fast ferry has been serving us when the weather is good. Unfortunately, next year we will revert to a slow ferry.

A survey done during the week showed that everybody thought the service by Air Canada had been downgraded. It is more expensive and much worse than it was. There is a need for fishery

research. We are a rich province but we need help, co-operation and we need to be treated fairly.

[*Translation*]

I hope that, in the days, months and years to come, we will continue to work together for a strong and united Canada and a better one.

[*English*]

If people think we cannot have a better Canada, I refer them to the words of Robert Kennedy when he said "Some people see things as they are and ask why. I see things that never were and ask why not?"

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Madam Speaker, on behalf of the New Democratic Party on the federal side, we do wish to congratulate the newest member from St. John's West on his electoral victory. We welcome him to the House of Commons. He brings a certain dialect and flair to the House of Commons, as only Newfoundlanders and Labradorians can, and I thank him for that.

• (1555)

Although I do disagree with a couple of political statements he has made, I want to thank him for bringing up the issue of tourism and other things with regard to the province of Newfoundland and Labrador. We in Nova Scotia think we have a pretty good province to visit, too. I will make the hon. member a pledge. I will go to his province and visit if he will come to our province to visit as well.

He mentioned a couple of things about health care and the CBC. This is where I find that the Conservatives, sometimes in a campaign, will campaign from the left and govern from the right.

I believe in the party's 1997 election platform which stated that it would advocate further cuts to the CBC. The CBC cuts did not happen under just the Liberal Party. They happened when the Mulroney Conservatives were in power from 1984 to 1993. They started the cuts and the Liberals continued them. Does the hon. member agree with the 1997 platform of the Conservative Party of further cuts to the CBC?

I admire him and the member for St. John's East who went to the Friends of the CBC rally. I do hope they are able to change the way the Conservative Party thinks and stands up for public broadcasting in this country from coast to coast to coast.

The member's own party leader said that he supported Ralph Klein's bill 11 and that he also supported advocates of two tier health care in this country. We know that in Newfoundland and Labrador the majority of people when polled were dead against a two tiered health care system. Being a long term parliamentarian in his own provincial legislature, the member for St. John's West

### *Government Orders*

should know very clearly what a two tier health care system would do to the people of the outports whom he so eloquently defended right here in the House.

Does the member advocate further cuts to the CBC as his party's platform did in 1997? Does he support his party leader's approach to a two tier health care system in this country?

**Mr. Loyola Hearn:** Madam Speaker, first, let me say to my hon. colleague that I visit his province fairly often. My son attends Dalhousie University, which is in Nova Scotia, and I visit him about three times a year. I would ask him to reciprocate by making that many trips to my province.

In relation to the hon. member's two questions, he was not listening very carefully when I spoke. When I talked about the CBC, I said that if there are areas in the country where cuts are necessary, if people are no longer watching and the CBC wants to cut programs, then it is up to the people. However, in areas such as rural Newfoundland, and Newfoundland generally, the evening news is an extremely popular program. Therefore I certainly do not support cuts in the areas where the market is there, nor should anybody else. I see that the hon. member agrees.

In relation to the two tier health care system, again if he had listened carefully to what our leader said at the time of the fiasco in Alberta—and perhaps it is the Premier of Alberta taking out a membership in the Alliance that has coloured his thinking—our leader said that he could not blame the local provinces for looking at ways to help their people because of the cuts imposed by the government. However, our party stands firmly against any two tier system in health care.

[*Translation*]

**Mr. Pierre de Savoye (Portneuf, BQ):** Madam Speaker, I was listening to the speech by our new member in the House, and at one point he spoke of the agreement Quebec concluded with Newfoundland on the development of Churchill Falls.

He deplored the fact that, in this agreement, few benefits remained for Newfoundland. Perhaps I misunderstood and he could enlighten me, but he seemed to be blaming Quebec for being greedy in signing this contract.

I would like to point out that no one wanted to support Newfoundland in its efforts to build the dam and develop hydro-electric power: neither New York—the Americans—nor the Canadians, nor Ottawa. Only Quebec supported Newfoundland at the time. Although Quebec set rigorous conditions for Newfoundland, no one else would have been satisfied with them, they would have demanded more.

So, we have to go back. It was many years ago. Quebec helped Newfoundland at that time and is prepared to do so again with the

*Government Orders*

development of hydroelectric power at the border between Labrador and Quebec.

• (1600)

[English]

**Mr. Loyola Hearn:** Madam Speaker, I am not sure whether the hon. member did not hear me or he did not understand me clearly when I spoke about the old upper Churchill contract which was signed many years ago before my involvement in politics. I said quite clearly that a contract is a contract.

I think *Hansard* will show that I do not blame my friends from Quebec. They signed a binding contract. It is not their fault. It is to their advantage that power rates increased. We had settled for a flat rate. I have never, nor have we ever, blamed the people of Quebec for this. In fact, the future developments in our country especially as they relate to hydro power will be successful if there is a good friendly partnership between Newfoundland and Quebec.

Going back to my comments on Meech Lake, again I say to him that a lot of people in our province would love to see Quebec play a much more important partnership role within this great country of Canada.

**Mr. Gary Lunn (Saanich—Gulf Islands, Canadian Alliance):** Madam Speaker, I rise to speak to Bill C-32. It is an honour to represent the constituents of Saanich—Gulf Islands and British Columbia. This bill is the budget implementation act which gives us a lot of latitude on what we speak about today.

It is important that we lead from the front. Quite often in this Chamber we do not put forward what Canadians, especially the younger generation, really want to see, how we will provide them with alternatives, how we will allow them to fulfil their dreams and aspirations and how they can become excited about this great country.

A number of my colleagues spoke about the endless tax increases, particularly the employment tax increases that have occurred since the Liberals took power in 1993. I am very enthusiastic about what the official opposition, the Canadian Alliance, has to offer the Canadian people. A lot of work has gone into it and it is being reflected in the polls. We are seeing dramatic increases daily. There is a lot of encouragement that Canadians are ready for a change.

The first and foremost change that will come is a single tax rate. We call it solution 17. Our opponents, from the Progressive Conservatives to their friends in the NDP, are criticizing us for this. They have said that we will cut taxes only for the wealthy. Nothing could be further from the truth. I will go into a few of the specific details about solution 17, the single rate tax.

It is important to understand that Canada has three marginal tax rates: 17%, 26% and 29%. We propose to bring those down to a single federal marginal tax rate of 17% which would provide tax savings for every single taxpayer in the country. Most important, it is going to provide the greatest tax relief for the poorest taxpayers, those with the lowest incomes.

It is important not only to emphasize the 17%, but we also propose to increase the basic spousal exemption from \$6,000 to \$10,000 each for adults who stay at home. That gives two adults \$20,000 without any of the other numerous deductions which they can apply, such as their RRSP deductions, before they pay a dime in federal tax. What is the net effect of that? That is going to take 1.9 million, almost two million of our poorest off the tax rolls.

• (1605)

My riding of Saanich—Gulf Islands has many people in retirement. They go there because of the mild winters. It is on the south end of Vancouver Island. There are many seniors in the income range of \$20,000 to \$30,000 who are struggling and they are paying federal income tax. The Canadian Alliance believes that is wrong and that these people should not be paying it.

We also recognize the importance of raising children and that there is a significant cost to it. We would like to recognize that by bringing in for the first time a child tax deduction of \$3,000 per child. Let us look at a family of four with an income of somewhere between \$26,000 and \$30,000. They are still eligible for the deductions but their basic exemption would be \$10,000 for each adult plus \$3,000 for each child. They would be able to earn up to \$30,000 before one cent in federal income tax was paid.

I do not know how anyone could say that is providing tax relief for the rich. The biggest beneficiaries of our solution 17 will be the taxpayers with the lowest income. We will take them right off the tax rolls.

We recognize that there is another thing taxpayers want, especially the younger generation. I got into politics and ran in 1997 because the dreams and the aspirations of our younger generation had been shattered. They are frustrated. Our best and brightest are flocking to the south. People will come up with numbers and say that there is not that big of a brain drain, but the very best are going, the brightest ones. That is what concerns me.

The economic engine of our country 10 to 15 years from now, the future CEOs, the future entrepreneurs who will create the jobs are the ones who are leaving. In my own family, of my siblings and my wife's siblings, there is one who works in the United States now and there are two others. Almost half of them are in the process or have at least applied for positions in the United States.

With the right government and the right policies in place we can attract investment and Canada can be number one. We could make



*Government Orders*

those younger people in the United States want to come to Canada. We could have the younger generation of Americans say, "Would I ever like to live in Canada".

That is what we are putting forward. That is why there is so much encouragement within the Canadian Alliance. That encouragement is solely because of our policies and leadership and what we are able to provide.

I can hear some of my colleagues from the New Democratic Party laughing. I encourage them to come to British Columbia. I will take them out there myself. They can talk to British Columbians about the leadership the New Democratic Party has provided in British Columbia. I say that in all seriousness. It has been an unmitigated disaster. In any event, I am not here to talk about that.

I want to read a paragraph from WEFA. The Canadian Alliance put its plan out very early, well in advance of an election, because we wanted our hon. friends from all parties to scrutinize it. We also gave our solution 17 to WEFA which is one of the leading economic forecasting agencies in the country. In fact Mr. Orr does the economic forecasting for the Minister of Finance.

• (1610)

This group is well respected within the financial community. I am going to read the conclusion. It did an in-depth analysis. Anyone watching who would like to learn more about this should contact the office of the member for Medicine Hat for details. He was instrumental in developing solution 17. I am going to read the conclusion in its entirety:

The tax reduction proposals... are well focused on the needs of Canadians today. They expand the economy, and most powerfully: personal disposable income, consumption and our standard of living. They create jobs. By lowering the marginal tax rates they are particularly effective in stimulating work effort, and stemming the brain drain and other productivity enhancing features. By powerfully reducing the level of personal income tax, particularly for Canadians of average and above average income, they are well directed at providing a more competitive tax environment in Canada relative to the U.S. They focus precisely and effectively on "bracket creep", raising the Basic Personal Exemption, particularly affecting the lowest income taxpayers, by much more than the rate of inflation: by eliminating the current 26% and 29% marginal tax rates, any bracket creep relating to these rates is eliminated. The issue of fairness is addressed, not only by the elimination of bracket creep, but by honouring the original policy intentions of the 5% "deficit reduction" surtax and reducing EI premiums to be consistent with EI policy... the tax reduction proposals of the Reform Party are affordable. If all of the tax reduction proposals are introduced as a combined package, over the 2000-01 to 2004-05 period, there would still be a fiscal surplus in each and every year.

This was done by Dale Orr and Bob Dugan from WEFA. It speaks volumes. WEFA is an independent forecasting agency.

We have put in some other features in our solution 17 which I am very proud of. We are the first party to actually have a plan for debt reduction as a line item in our budget. We have put a line item in the budget because we believe there has to be a plan, just like the plan we all have to pay down our mortgages. We cannot go on year

after year saying, as the current government does, that if there is any money left over, we may consider putting it on the debt.

When the economy is strong, we need to pay down the debt. We have made a commitment to pay down \$35 billion on the debt. We have made a commitment to narrow the surplus down to \$3 billion a year. That is something the government has not done.

I call it leading from the front. It is very important that we put these proposals out there. Obviously Canadians are equally pleased, as the Canadian Alliance's popularity is rising every day in the polls while the Liberal government's popularity drops. Canadians want a change. They want to fulfil their dreams. I know we will be able to deliver and provide what they are looking for.

We need to look at other areas. Taxation alone is not going to solve the problems.

I know we are debating the budget implementation act, but if we are going to solve future budget issues in the country we have to have a much more open and democratic process in the House. There are 301 members here. We have to bring in the ideas of all members so that when we debate the budget they can have meaningful participation instead of only a handful of people who surround the Prime Minister or the Minister of Finance.

The circle of influence is so small. I have often said that we live in a democracy. What is that? We get to go to the polls once every four years to democratically elect a dictator. That is not right. That is wrong. We need to change that. We need to extrapolate on the great ideas of members of the House and allow them to have meaningful participation in the debate. We are committed to making those changes to allow a more democratic process.

• (1615)

After being in Ottawa for three years I believe one of the problems is that the bureaucracy feeds on itself through no fault of its own. It is the fault of the government. It grows and grows and grows. The government has a system that encourages it to grow. It is wildly out of control as is witnessed by the \$1 billion boondoggle. We hear those stories daily. I know members on the other side will say no, but the fact is that \$1 billion can go out without even being accounted for. We are told that the government did not even have applications for 35% of that \$1 billion.

It is not just the department of HRDC. It is rampant throughout ministries within the government. We heard an earlier reference to a grant from the Department of Canadian Heritage to write a book on dumb blonde jokes. I believe there was a grant to the Canada Arts Council from the government to hang dead rabbits on trees because it was considered art. The list goes on and on and on.

Canadians are in absolute disbelief about this kind of spending. I appreciate it was not the ministers who actually read these applica-

*Government Orders*

tions and said they would be great expenditures of taxpayer money. However they are accountable for this money. Bureaucracy has been blown completely out of control and needs to be brought back in line so that there is accountability.

Another way that we can allow Canadians to fulfil their dreams and achieve their aspirations is economic growth. We have talked about our tax policy at length, solution 17, but there are other things that are absolutely curtailing economic growth and frustrating people such as employment taxes. Employment taxes have increased. I know government members would say they recently decreased the EI contribution rates, and I say only minimally, but they have not told us that they have increased Canada pension plan premiums even more than that.

I find it ironic. We are speaking to Bill C-32, the Budget Implementation Act. The Minister of Finance claims \$58 billion in tax relief. If we look at some of the numbers, they are consistent with what the government has done in the past. How does it make up that \$58 billion in tax relief? This is mind boggling for me. It is bringing in the \$29.5 billion increased Canada pension plan premiums. If we factor those into the additional taxes we are paying, it cuts that amount in half. It did not bring that into the picture. It cherry picked what it put into the \$58 billion. It does not tell us the whole story.

Even worse, the government cancelled planned tax increases in the years ahead, tax increases that have not yet happened. Tax increases that were slated for years to come have been cancelled. That is part of its \$58 billion tax relief package. Can we imagine? Last year the government said that it would raise taxes by 5%, 10% and then 15% and then cancelled those tax increases and called it tax relief? It is completely unacceptable.

It is time that we had change. We seem to be going in election mode. The government goodie bag is revving up its engines and starting to make announcements of hundreds of millions of dollars. The Liberals believe they can fool the Canadian people and buy their way back into power.

• (1620)

We are in a new millennium and Canadian people will not accept that any longer. They want people to lead from the front. If we want to have the social programs that are so dear to us such as our national health care system, the only way we will be able to afford a sustainable health care system in the decades to come is through wealth created by the private sector. The government can have a strong tax base and the only way that will happen is if it provides the right environment for the private sector to flourish.

The Canadian Alliance has those opportunities. I am very proud to be part of this new energy in the Canadian political landscape. We are seeing it in spades across the country as my colleagues and I have travelled and worked on the leadership race within the

Canadian Alliance. It is very exciting for us. It will be most exciting for Canadians who will be the largest beneficiaries. It is time we brought back respect to this institution.

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Madam Speaker, the current member for Saanich—Gulf Islands spoke about British Columbia. I grew up in British Columbia. It was a beautiful province then. It is still a beautiful province. I noticed that many people in his riding seem to do very well living in British Columbia so the government cannot be all bad.

I could also not help noticing that every time members of the Reform get up they talk about the best and brightest leaving the country. I see the member for Sydney—Victoria, the member for Winnipeg Centre, the member for Dartmouth, myself, even my good friend from Lethbridge in his own party, the other member from Calgary and the member from Surrey are still here. All the best and brightest have not left, as he stated

In all seriousness, his party is right when we talk about taxes, tax reform and what to do about taxes in the new millennium. Every time Canadian Alliance members talk about what they have done, what they will do and how it will be, I cannot help but think of their promise with regard to Stornoway. Their leader said he would turn it into a bingo hall, and quickly that promise was broken. I shudder to think how many other promises would be broken if they ever formed government.

I respect the member for Saanich—Gulf Islands as a former fisheries committee member. He never once mentioned the dreaded GST which all Canadians hate. Would he not join us in the New Democratic Party, not physically but in terms of policy, in reducing the GST? A break on the GST would be the fairest tax break for every Canadian from coast to coast to coast regardless of income.

**Mr. Gary Lunn:** Madam Speaker, I will respond to a number of the member's points. He stated that the NDP could not be all that bad in British Columbia. We will let the voters of British Columbia judge that within the next 12 months and we will see the results.

He talked about the best and brightest and referred to himself and a number of his colleagues and even some members in my party. We are here representing our constituents. There are many good Canadians who are very frustrated and do not want to leave the country but are forced to do so to seek other opportunities. I have had parents of children who graduated from university come into my office after taking their children to the airport in Victoria because they had accepted jobs in the United States.

**An hon. member:** Oh, oh.

**Mr. Gary Lunn:** I ask the member in the NDP to give me a few minutes and show the same courtesy I showed him. These parents

are very upset that their children are going to the United States where they will probably end up being involved in relationships and having children there. They want their grandchildren in Canada. We can change that. We can be the best.

The member asked specifically about the GST. Let me get to that. Had we been the government of the day, I am sure that is not something we would have done. It is there now and I have to be very honest that we in the Canadian Alliance cannot promise to eliminate the GST. We will not make promises that we cannot keep. We will give sound numbers. There is one thing the Premier of Ontario, Mike Harris, has done that has not been done before by any government. He did what he said he would do.

• (1625)

We will not make a bunch of empty promises. As much as we do not like the GST we cannot eliminate it, but we are prepared to look at it. We have provided solution 17 which we believe is the best opportunity to get the economy going. It would allow Canadians to achieve their dreams and not punish them for doing well.

There is a mentality in the government that wants to punish people who are successful. As the economy gets going and as we are in our second, third and fourth terms of government we will be looking at everything. It is very fluid. I emphasize that we will not make promises we cannot keep. We will deliver on everything we say we can do, unlike previous governments that have sat on that side of the House.

**Mr. Alex Shepherd (Durham, Lib.):** Madam Speaker, I listened intently to the member for Saanich—Gulf Islands. Once again the Canadian Alliance Party is back on its kick of a flat tax. Everyone in the Canadian Alliance dream world believes that everyone will get a tax break: from the poorest to the richest everyone will benefit from a flat tax. Most of us know this is not possible. I do not think we can fool the Canadian people.

When we start looking at the concept of a flat tax, the reality is that any of the so-called people who support that philosophy must find other ways of reducing revenue to make it work. Most of us would understand that if we are collecting  $x$  numbers of dollars in revenue and personal income taxes today, in order to impose a flat tax there has to be a shift between taxpayers from poor people to the wealthy. In other words, wealthier people would be paying significantly less tax and poor people would be paying more. That is the way it has to happen. There is no other way for it to be effective.

Canadian Alliance members would have us not understand that they would also gut a lot of other programs. We heard the member allude to private health care, the CBC and other things they would simply gut. That is how it works. They would gut government programs that people are now receiving. Undoubtedly some the

### *Government Orders*

people in the low tax range who would benefit in his wonderful dream world are the people who would miss the services.

Why do members of the Canadian Alliance not just come clean with people and tell the truth? A flat tax will be a shift in taxes away from the wealthy to the middle income earners. The only way to give everyone a tax break in a magical world is to gut government programs. Why does the member not just admit that?

**Mr. Gary Lunn:** Madam Speaker, let me tell the House what we would gut. We would not spend \$500,000 building a fountain in the Prime Minister's riding. We would not spend \$1 billion on unaccountable grants from political slush funds to the government's friends and cronies. That is what we would gut. That is what we would stop. We would stop unaccountable spending. That is number one.

I will deal with number two. The numbers of the Minister of Finance show a \$95 billion to \$100 billion surplus over five years. That is taxpayer money. We would not rip off taxpayers. We would not take the money from them. We would respect taxpayers and the money we take in. We would make sure they get value for their dollars. There is lots we can do. Our numbers are sound and there would be surpluses each and every year.

We would increase the money going to health care. We would not have people dying on waiting lists as there are with the government. That is what is wrong. There are numerous departments with zero accountability. There is unaccountability in the Department of Indian Affairs and Northern Development. Something like \$23,000 tax free was given to every native person in Canada, man, woman and child. Yet they still live in abhorrent conditions because there is no accountability. Those systems need to be changed.

The government uses money to buy votes and provide slush funds. One-third of all grants went to people in the Prime Minister's riding and those people gave money back to the Liberal Party of Canada.

• (1630)

It is criminal. It is corrupt. It is time for change. We throw out premiers in British Columbia for much less than that. It is absolutely wrong. We will let the voters judge this in the next federal election.

**Mr. Eric Lowther (Calgary Centre, Canadian Alliance):** Madam Speaker, the hon. member made some very compelling arguments about the need for lower taxes. It was a very good presentation and I appreciated it very much.

However, he did not mention the need to start paying down the debt which previous governments over the last 20 years have incurred on behalf of all Canadians. It is close to \$600 billion.

*Government Orders*

One-third of every tax dollar we send to Ottawa goes to interest, which does nothing for anyone. With the threat of rising interest rates we have a ticking time bomb.

Would the member be so good as to articulate a plan which would address and start to pay down the debt, as opposed to the increased spending that we see from the other side?

**Mr. Gary Lunn:** Madam Speaker, quite clearly, in solution 17 a line item for debt reduction would amount to \$35 billion over five years. We would not leave the youngest children of the country with a \$600 billion debt like the Liberal government has. Canadians would see a change.

**The Acting Speaker (Ms. Thibeault):** Is the House ready for the question?

**Some hon. members:** Question.

**The Acting Speaker (Ms. Thibeault):** Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Ms. Thibeault):** All those in favour of the motion 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.

*And the bells having rung:*

**The Acting Speaker (Ms. Thibeault):** The recorded division will be deferred until tomorrow at the end of Government Orders.

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**CAPE BRETON DEVELOPMENT CORPORATION  
DIVESTITURE AUTHORIZATION AND DISSOLUTION  
ACT**

The House resumed from June 2 consideration of Bill C-11, an act to authorize the divestiture of the assets of, and to dissolve, the Cape Breton Development Corporation, to amend the Cape Breton

Development Corporation Act and to make consequential amendments to other acts, as reported (without amendment) from the committee, and of the motions in Group No. 2.

**Mr. Peter Mancini (Sydney—Victoria, NDP):** Madam Speaker, it is a pleasure to rise today to speak to the amendments in Group No. 2, which have been moved by myself and the member for Bras d'Or—Cape Breton on behalf of the people of Cape Breton, and indeed on behalf of our party, which has for a very long time championed fairness for working people.

• (1635)

When I rose to speak to the first group of amendments on Friday of last week I said that it was not a pleasure. At that point in time we were fighting. We watched the government invoke closure on the bill at second reading. We watched the work of the committee. Witnesses were brought from Cape Breton. It was suggested that amendments would be forthcoming, none of which were accepted at committee as the bill was railroad through.

Throughout this entire debate the witnesses, members of parliament, particularly the member for Bras d'Or—Cape Breton and myself, who came forward kept referring to the unfairness of the government's offer to the coal miners who had worked underground for so many years. We kept referring to section 17 of the Cape Breton Development Corporation Act, saying that if members read that section they would know that it was incumbent upon the government to offer a fair package. At every turn the Liberal government rebuffed that argument and said there was no merit in it.

On Friday of last week, while we were debating amendments in the House, an arbitrator filed with the Minister of Labour a decision regarding the Cape Breton Development Corporation as to whether the government's package was fair. Let me read from that report, which references section 17. For two and a half years we have been arguing that section 17 should be interpreted to provide the communities and the miners with a better deal. Paragraph 38 of the binding arbitration agreement states: "For the purposes of this arbitration I accept that I should strive insofar as possible to decide matters. . . . In doing so, I must bear in mind the unique statutory requirement embodied in section 17 of the Cape Breton Development Corporation Act. Regard must be had to the various public and private sector comparables referred to by the parties. Since Devco is a public sector comparable, especially in light of the statutory obligation imposed on Devco pursuant to section 17"—and he goes on to make an award.

The award will provide pensions for everyone who has worked in the mine for 25 years, regardless of age, which is something that we have been pressing the government to do from day one. It took an arbitrator and the mining communities in Cape Breton to fight tooth and nail to get what should have been the opening offer of the government when it went into Cape Breton in January. Instead,

miners' wives and families had to form an organization and travel to Ottawa at their own expense, culminating in a strike in January of this year. The miners went underground by way of an illegal strike and broke the law to show the government that it was wrong.

I do not know if members of the Liberal Party understand what it was like to be in those communities for those days in January. I know and the member for Bras d'Or—Cape Breton knows because we were at Prince Mine with the miners and their families. We talked to Nova Scotia Power. We were there when the RCMP brought a riot squad to the community where I have lived my whole life. It is a peaceful community. We were there when the women and children, the families of the miners, had to decide whether they would stand in front of the Prince Mine and stop the Nova Scotia Power trucks from going in. They struggled with that.

In a responsible way, the miners said they would come out if the government would simply agree to binding arbitration. The government, which was pinned down under the threat of violence in those communities, like something out of 1930, said "All right, we will agree to binding arbitration". The arbitrator said that the miners were right, that the package was unfair.

I start with that premise because we were right about the package. Now let us talk about the legislation. I think we are right on that too. If we could submit the government to binding arbitration, I believe that an arbitrator would say that none of the amendments proposed by the New Democrats to make this bill a better bill are unreasonable. Let me cite what we are seeking with this group of amendments.

• (1640)

One of the motions calls for at least one employee representative to sit on the board of the directors of the new Devco corporation.

**An hon. member:** That is a radical idea.

**Mr. Peter Mancini:** That is radical, as my friend says.

What is happening, for those who are not aware, is that Bill C-11 will create a new Cape Breton Development Corporation, the purpose of which essentially will be to administer pensions, to deal with remediation and to deal with ongoing litigation. It will be a company that will gradually reduce in size as the obligations of the government through the crown corporation cease.

We thought, why not have people from the community sit on the board of directors? It makes sense to me. The government will say that five of the current seven directors are from Cape Breton. That is fair enough, but it is not mandated in the new legislation. Why not mandate it? That is the first recommendation.

For some reason the Liberal members on the natural resources committee had a problem with that. Every Liberal voted against an

### *Government Orders*

amendment similar to that, while all members of the opposition parties thought it was a good idea. It was not just those of us from Cape Breton, it was members of the Canadian Alliance, members of the Conservative Party and members of the Bloc, all of whom said "It makes sense to us to have local people sit on the board".

The second radical proposal is that there be a residency requirement ensuring that a majority of the directors of Devco live on Cape Breton Island in the communities affected by the corporation's decisions.

As a member of parliament I have been lobbied by groups on this issue, and individuals who appeared before the committee asked that a member of the workers' pension association sit on the board or committee which will administer the pensions. I was questioned by members of the Liberal Party on this issue. They asked "Why would you want someone from the pensioners' association to sit on the board that administers the pensions?" As I understand it, currently that pension fund is administered by a brokerage house in Montreal, which turns a considerable profit. I think it is something in the vicinity of \$7 million or \$8 million a year. I explained that in Cape Breton we have the kind of history, the kind of culture, in which we believe in helping each other out. Many members of the pensioners' association would like to see some of the profits which are earned as a result of their pension funds being invested put back into the communities in which they live, put back into the communities where their children work, put back into the communities where their grandchildren go to school.

They have been arguing for some time to have a say in that, to open the books to see what is happening with their pension fund. They have not been able to. I believe there is a court action pending. They said "We don't like what the government is doing to Devco, but if it is going to do it anyway"—and it is—"and if the government can open the door for at least some improvements, why not allow that?"

I have much more to say, but since I only have one minute left I will say that I had an opportunity to examine the speech which the Prime Minister gave in Berlin. This will be the new Liberal platform. They are going to run from the left again. Let me say to the people who want to read this document that if they compare the Prime Minister's words in Berlin to the actions of the Minister of Natural Resources today with Bill C-11, as the government refuses to support communities directing their own future as it withdraws, they will see that the actions of the Liberals speak louder than words.

**Mr. Pat Martin (Winnipeg Centre, NDP):** Madam Speaker, I am very glad to carry on where the hon. member for Sydney—Victoria was forced to leave off. Both NDP members of parliament for Cape Breton, the member for Bras d'Or—Cape Breton and the member for Sydney—Victoria, have dedicated much of the time they have spent as members of parliament fighting over the Devco issue. The point we are at today represents the culmination of

*Government Orders*

literally years of hard work on their part to try and adequately represent the people who are affected by the Liberal obsession with shutting down anything to do with publicly funded institutions which might benefit working Canadians.

• (1645)

One will note on looking at the record the very number of speakers from the NDP who have risen on behalf of Cape Bretoners and on behalf of the Devco families. Most of us have had reason and have been motivated to join in this debate. Within our party at least, members all across the country empathize with the regional problems which occur in an area like Cape Breton. We can identify personally and we draw many parallels with our own regions. That is why we are so motivated to speak up.

The hon. member left off by pointing out some of the very reasonable motions the NDP members made at the committee stage, hoping to inject some balance and reason into the legislation. If the Government of Canada is so completely committed to shutting down Devco without consultation with the community, and we think without exploring other options and alternatives, if it is so driven, so obsessed with this idea, at least it could have entertained reasonable motions at committee.

The hon. member was halfway through speaking about one of those motions, which was for a jointly trustee pension board which would look after the pension plan while Devco is being dismantled. That is not exactly a radical idea. Most employee benefit plans are jointly trustee for the very reason the hon. member for Sydney—Victoria pointed out, that there may be secondary objectives that can be achieved other than simply getting the best return for the dollar to provide pension benefits.

It is a credit to those miners that they were generous enough and concerned enough about their community that they would say, "Let us not look at pure profit as the only goal or the only directive that we give our money managers. Let us look at some secondary objectives. Let us look at the long term economic development of Cape Breton to use some of the surplus profits of our pension plan".

That thought would not come forward if there were not workers on the board of directors of the pension plan. It is a reasonable request and it was summarily shot down at committee by the Liberal Party.

There were other motions which were made to ensure health benefits for workers and their families who may become sick, or have long term health repercussions from having worked underground all their lives. Once their employment ceases, so ceases their supplementary health benefits.

Many people contract silicosis, black lung, or any number of injuries or illnesses relating to their occupation. One would think it

would be callously indifferent for the employer to abandon any obligation to provide supplementary health care insurance to those people when the plant is shut down, if it is to be shut down. This again was dismissed at committee stage. The Liberals would not entertain it whatsoever, even though the NDP was not alone in this request; it did have backing from other opposition parties on the committee to be fair to them.

Why would they not institutionalize the concept of ensuring that some representatives on the board of directors lived in Cape Breton? The argument was that there are going to be some anyway. Well, maybe there are now, but who is to say the board will always be constituted in that way? Who is to say they do not parachute in some Liberal patronage appointees to take over all those key positions? They would probably pay themselves very well on a board of directors like that. It is not inconceivable that the Liberals may parachute in some patronage appointee to take care of the new Devco board.

We wanted it institutionalized that Cape Bretoners will be on the board of directors of the Cape Breton Development Corporation. This is not unreasonable. It is perfectly reasonable.

These were not the type of motions that were designed to embarrass the government. They were not the type of motions that were designed to be radical. They were put forward seriously in the hopes that they would be seriously entertained. They were dismissed out of hand without any concern whatsoever.

Why would they not agree to ensure that some of the representatives on the board of directors were from the Devco pensioners association? Why would they not give the pensioners some voice on the board of directors, those who are experienced, those who were affected throughout their whole lives?

I would argue that there is no better expertise about Devco than from those who dedicated their lives working there and who are now Devco pensioners. That is where we will find some real talent.

The Liberals voted against all of those motions at the committee stage. How did the other parties fare with regard to these motions? At least they could entertain them and see the logic in these very reasonable proposals.

• (1650)

Now we find ourselves with one more opportunity to look at the motions in Group No. 2 at report stage. The hon. member had just started to speak to Group No. 2.

One motion we refiled states that one director other than the chairperson and the president shall be an employee of the corporation. That is a reasonable proposal. Again a director other than the chairperson should be an employee of the corporation, giving workers some voice in the long term viability of the plant.

*Government Orders*

The majority of the directors shall be residents of the island of Cape Breton, Nova Scotia. That should be a given; it should be automatic. I cannot imagine for the life of me how there would be any strong protest from the ruling party on that basis.

At least one-third of the directors shall be members of the Devco pensioners association. We talked about that.

Many of the motions in Group No. 2 are structural motions that deal with the composition of the board of directors and its long term viability.

What we are dealing with now is that the rules have really changed since the bill even reached the committee stage because now there is the ruling of the arbitrator, a binding arbitration. As was pointed out this arbitration would not have taken place were it not for the courage of the Cape Breton miners who actually had to take justice into their own hands and break the law. Sometimes civil disobedience is the only option.

When they were up against the wall and their livelihood and community were at stake, these people had the courage to take control of their workplace. I have to give the people of Cape Breton credit because even during the course of that civil disobedience and illegal wildcat strike, they were willing to be reasonable with the government. They were faced with what were really the modern day equivalent of Pinkerton goons when the riot squad showed up taking up arms against their own. It is a sad state of affairs in Canada when the people of Canada have to face their own government taking up arms against them for standing up for what is right.

Eventually when they finally agreed to what they thought was the most reasonable solution to this seemingly untenable situation, that solution and their demand was to put the matter before binding arbitration. They were so confident that their position was just and that they could defend it in front of an impartial third party that they were willing to lay down their case before an outside third party, an arbitrator, and let the case rest on its own merits.

Guess what happened. The arbitrator agreed with the workers of the Devco coal mine of Cape Breton and in many incidences came up with the recommendations exactly as they were put forward by the advocates of the working people. Especially in terms of pension, the people making the argument on behalf of the miners looked to other parts of the world where there were similar situations.

**An hon. member:** That is not unheard of, to be fair.

**Mr. Pat Martin:** That is right. There is great precedent in other countries. Canada prides itself as being so fair and equitable with its workforce.

In Germany coal miners with 20 years service who are 50 years of age or older qualify for early retirement pension if they are laid off as a result of a mine closure. There is far better plant closure legislation. A coal company, a mining company or any business enterprise cannot simply announce one day that after 30 years of showing a profit in a community, at 30 years plus one day it is just going to close up shop and walk away. It simply cannot be done. There is an obligation to the community which allowed it to prosper and make a profit every year.

It is even better in France. It is funny how in France we often find inspiration when it comes to fairness toward workers. Pensioners laid off due to a plant closure or any mass layoff are eligible at age 45 with 25 years service to an early retirement pension equal to 80% of salary. That means for those who knock themselves out and give their youth and health to an enterprise which takes and takes, the enterprise has a lasting long term obligation to the workforce that allowed it to function, even if the plant is now closed or it disappears. It is a lasting liability that carries on.

Devco did not offer that long term obligation. The government, as the people in charge of Devco, tried to walk away from that duty and obligation. Thankfully the third party arbitrator intervened and introduced an element of reason and fairness, exactly what the NDP has been saying from day one.

• (1655)

**Mr. Peter Mancini:** Madam Speaker, I rise on a point of order. I am not sure that we have quorum in the Chamber as debate continues.

*And the count having been taken:*

**The Acting Speaker (Ms. Thibeault):** I do not see quorum. Call in the members.

*And the bells having rung:*

**The Acting Speaker (Ms. Thibeault):** I see quorum so we will resume debate.

**Mrs. Michelle Dockrill (Bras d'Or—Cape Breton, NDP):** Madam Speaker, once again we find ourselves in this Chamber trying to find some semblance of a conscience in the government members concerning the Cape Breton miners.

I would like to take a few minutes to read a couple of paragraphs which some members and maybe some members of the Liberal Party across Canada would be interested in.

The federal government realizes that the Cape Breton coal problem is essentially a social one. It is because of its awareness of, and concern for, the well-being of individuals and their communities that the federal government is prepared to assist, on a massive scale, the transition of the area from dependence on a declining natural resource to a sound economic base.

*Government Orders*

That was a quote from Prime Minister Lester B. Pearson on December 29, 1966. There is another quote which I think some hon. members will find very interesting.

I must say . . . that unless the social equation is introduced into an examination of the current corporate plan of the Cape Breton Development Corporation, an important element in approaching the problem will have been overlooked. . . . When the Cape Breton Development Corporation was organized and legislated, it was a move from privatization to public ownership, because privatization was incapable of dealing with the community and social problems which would occur from a sudden cessation of production in the coal industry.

That was an excerpt from a speech by Senator Allan J. MacEachen on March 21, 1996. I think all hon. members across the room today recognize those two individuals.

● (1700)

When I was looking through the large amount of documentation that we have on Devco, I came across another interesting comment. It reads:

If elected on October 25, 1993 the Liberal Party of Canada would want to increase production at the Cape Breton Development Corporation.

With an increase in production, no downsizing would be executed. It was an interesting quote by a gentleman by the name of David Dingwall on October 7, 1993.

On a number of occasions in the House we have said that the one thing Cape Bretoners are sure of is that the Liberal government and the members opposite are renowned for making empty promises to Cape Bretoners and have done so for the last 30 years.

My colleague from Sydney—Victoria and all members of the NDP have tried for the last three years to show government members the serious implication Bill C-11 will have on Cape Bretoners but our concerns and the concerns of the communities continue to fall on deaf ears.

If there was one simple way to sum up what Cape Breton miners are looking for we should go to the document called "A Message from Cape Breton Coal Miners". It says:

We are not asking for a handout. We, Devco's hard-working employees, are asking Ottawa to give us a real chance to help secure a brighter future for the company and our community. We can make a difference.

That is the message from Cape Breton miners and the people on Cape Breton Island that unfortunately has fallen on deaf ears.

We are here today, as my hon. colleagues in the New Democratic Party have talked about, with respect to amendments in Group No. 2.

For those people in Cape Breton who are listening, it is important for them to recognize that the amendments put forward by the members of the New Democratic Party are not amendments that will cost the government any money. They are not amendments

that will change the very essence of what the government is trying to do in terms of privatizing Devco. They will allow some semblance of transparency as it relates to the managing of the pension funds.

My hon. colleague from Sydney—Victoria talked about the members of the pensioners association, who we have both had meetings with and who have a novel idea. They know their pension fund is generating approximately \$7 million a year. They want that money to be invested in their community. Is that not something new and radical? Why do they want to invest that \$7 million in their community? It is because this government has failed to do that.

Day after day we continue to hear government members talk about the good job they have done as it relates to Devco and that they have given the miners a fair package. We just found out on Friday that, as we have been saying for three years, as delegation after delegation and as miner's wife after miner's wife have come to Ottawa and clearly said, an arbitrator has finally said that the package is inadequate. The arbitrator has said that this government's package, as it relates to Cape Breton coal miners, is inadequate and unfair.

I and my colleagues have talked to members of the government about the implications that the bill will have on Cape Bretoners. However, it continues to fall on deaf ears. When the bill was before a committee, over 75% of the Liberal members were whipped at committee and some did not even have the decency to be there to listen to the witnesses who came to Ottawa. I am talking about witnesses such as a miner's wife who gave up a 12 hour shift at \$5.50 an hour to come here. She is the sole breadwinner in her family because her husband is not working. Government members could not find the time to pretend that what these witnesses had to say was important.

● (1705)

We have tried and tried. Every week I ask myself why the Liberals will not try, why they will not do something to help these communities and why they will not recognize the economic hardship that already exists in Cape Breton, never mind the results from the privatization of Devco. I finally came to the conclusion that they are not listening because they do not care.

I just finished reading excerpts by other members from what I would like to call the old Liberal Party, the Liberal Party that had a heart. They clearly indicated that Devco's abdication from the industry would be a social problem. In 1967 the Liberals made a commitment to the community to diversify the economy.

I can tell the House a number of stories about the attempts that were made to diversify the economy of Cape Breton under the Liberal government. One case in particular involved sheep being brought in from Scotland. These sheep were quarantined for a year



at a cost of hundreds of thousands of dollars and they eventually died. The joke was that the Liberals were going to take the wool from the sheep and some of the steel from the steel plant and make steel wool. The Liberal government's attempts at economic development and recovery in Cape Breton became a joke. It was not about assisting the community, it was and continues to be about assisting the government's friends.

In closing I want to say that there is no doubt in my mind that Cape Bretoners will survive. We will survive because we always have. However, the one thing that the government should and will be able to count on is the long memory of Cape Bretoners for what this Liberal government has done to them, their children and their communities.

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Mr. Speaker, while I was listening to the eloquent debate brought on by the two members from Cape Breton, the member for Sydney—Victoria and the member for Bras d'Oir—Cape Breton, I wrote a quick little ditty of a poem for my friends in Cape Breton. I have not finished it yet but I thought I should start out my debate in this fashion:

It takes a brave man to mine the black ore  
To go deep in the earth and far under shore  
They start as healthy men when they are young  
They prematurely grow old with coal dust in their lungs  
They fight for fair pensions and employment they demand  
To raise their families on Cape Breton Island

That is a poem that I plan to send out to Cape Bretoners when I get it finished. It shows the passion brought to the House of Commons by my two colleagues from Cape Breton when it comes to standing up for Cape Bretoners, not just the coal miners but for the steelworkers, the fishermen and everyone who lives in that beautiful place on the planet.

The government and other opposition parties always talk about change and that we need to have change. I keep asking the government and opposition parties about the people who are on our streets asking for change, which is occurring more often.

This government's economic policies are dividing the rich and the poor even more. The middle class is eroding and more and more people are relying on charities, handouts and other avenues for their livelihood to get by on a daily basis.

• (1710)

**Mr. Peter Mancini:** Mr. Speaker, I rise on a point of order. There has been some eloquent poetry in the House today. Again I see that we do not have quorum.

**The Deputy Speaker:** I will ask the clerk to count the members present.

### *Government Orders*

*And the count having been taken:*

**The Deputy Speaker:** I see a quorum.

**Mr. Peter Stoffer:** Mr. Speaker, what do the federal Liberals and the Alberta Tories have in common? They are able to take large groups of workers and band them together into civil disobedience. The health care workers of Alberta had to use civil disobedience to get a fair contract from the Alberta government. The Cape Breton coal miners, who had to go underground in the coldest part of the year, suffered indignities by this government through the riot goons that it brought forward. Instead of consultation, it brought pepper spraying RCMP officers to stamp them out. It did not work. With the courage and dignity that only Cape Bretoners have, they forced this government into binding arbitration. We saw the agreement that was made the other day.

This binding arbitration is a slap in the face to the government, especially to the Minister of Natural Resources who said that under no circumstances would this package be reopened. Again, he was wrong and the Liberal party was wrong. All the government had to do was deal in good, open and transparent faith and it would never have gone this far.

Before I was politely interrupted by my colleague from Cape Breton, I wanted to say that the government's economic policies are dividing people ever so greatly. The government looks after its friends in the Liberal Party. I encourage everyone in the Liberal Party to take a trip to Cape Breton and see the famous Ding Wall. I do not mean David Dingwall. I mean the Ding Wall itself. He spent a lot of money to build a rock wall in the middle of a town. It is an absolute fiasco. It is an embarrassment to all Nova Scotians that this person, who was the Minister of Health at that time, could advocate spending a million taxpayers' dollars for a rock wall in Cape Breton. I know there are a lot of rocks in Cape Breton, but most of them were in that minister's head for that kind of expenditure.

What should have happened to that money and what should happen to the rest of the funding is that it go toward the care and fair treatment of Cape Breton coal miners and their families for long term economic growth in that beautiful part of the province.

The government calls for change. We all call for change. What I ask all members of the opposition parties and the government to do is to remind themselves of the people who are looking for small change on the streets. There are more and more people doing that on a daily basis. They are turning to charities looking for more and more help. I cannot help but say how proud I am, as an Atlantic Canadian, that Atlantic Canadians throughout the four provinces banded together and raised over \$3.6 million for the IWK Grace Telethon, again showing the generosity and spirit of Atlantic Canadians when it comes to people in need.

*Government Orders*

On behalf of two of the finest people I have ever met in Cape Breton, two miners, one former miner and a current miner, Mr. Jose Pimentel and Mr. Vic Tomiczek, I want to say how hard they have struggled to keep their families going and how hard they have fought for the common workers and their common man.

It is not just the federal Liberals who are pounding away at Cape Breton coal miners, it is also what the provincial Tory Party is doing. In fact in the recent Nova Scotia election, Jane Purves, the minister of education for Nova Scotia, had a postcard campaign that very wrongly suggested that because SYSCO was open, that hospital beds in Nova Scotia would be closed. She very effectively and very meanly split and divided the mainland Nova Scotians with that of Cape Breton. I found it absolutely despicable that a woman of her talents could use such a low ball and low road campaign in order to get herself elected. I can assure the House that from this moment on we will be going after her in the next election to ensure her defeat.

The current minister of health for Nova Scotia also said, and I quote, "Possibly children with disabilities who need access to the IWK could rely on groups like the Lions Club or the Kiwanis or other service clubs to find their transportation needs to the Halifax Centre".

• (1715)

This is from the so-called passionate, progressive Conservatives. There is nothing passionate and there is nothing conservative about it. It is meanspirited to balance their books on the backs of the disabled and on the backs of the needy. They are even recommending a program where they take away formula from children who require a special formula in order to digest their food. It is absolutely mean.

The Liberals have done the same. They refuse to negotiate in a fair, open and transparent manner with Cape Breton coal miners and their families or even to show respect for the two members of parliament from Cape Breton who stand in the House on an almost daily basis, who were in committee, and who brought forth very comparable amendments to adjust the reasonable debate that should be happening.

Canadian Airlines in its pension outfit has an employee trustee on the board. All Cape Breton is asking for is that we have the same. That is not a very unreasonable request. I am very proud to say that the federal Conservatives, the Bloc and the Canadian Alliance support the New Democrats in that initiative.

I can only hope that backbench Liberals can put pressure on the Minister of Natural Resources to say that a representative from Cape Breton absolutely should be on the board of trustees when it comes to pension liabilities. It only makes sense.

The distribution of the funds will be in Cape Breton. Would it not make sense to have people from Cape Breton on the board administering the fund? Why would we want someone from Toronto, Ontario, Saskatchewan or B.C., or anywhere else for that matter, administering a fund that is solely meant for Cape Bretoners?

Besides the pensions and the unfairness of the Liberals, Cape Breton miners in their heart of hearts would tell them: "Stick the pensions where the sun don't shine. Just give us work. We want to work and be able to look after our families". Most Canadians from coast to coast to coast want the opportunity for gainful employment.

There is no reason in the world why there could not be gainful employment in Cape Breton for the miners, the SYSCO workers, and everyone else on that beautiful island. On that note I encourage members of the Liberal Party who have never visited Cape Breton to do so. If they did, their government would not be so meanspirited toward the pensioners, the miners and their families. By the way, some of the women will be coming to Ottawa to demand more fairness and justice for their husbands and families.

It is a sin that I as a member from Nova Scotia and a member of the great NDP caucus have to stand in the House to state the obvious to the government. The actions of the so-called newfound left leaning Liberals, as their Prime Minister is saying in Berlin, with their new Canadian way are talking about compassion, fairness, openness and transparency, speak louder than words.

When the Minister of Natural Resources is asked a question about Devco he almost looks like he is bothered by the question and wonders what he is doing answering these pesky question from the NDP on Devco? looks around with absolutely no interest at all and thinks that the issue has already been settled. That is a sin.

What should happen is exactly what happened with the pay equity debate. We had a minister, Marcel Masse, who showed complete ignorance toward the pay equity debate. He stood in the House time and time again and said that they would not deal with it. He was removed. We had another minister and within two months the pay equity issue was settled.

What should happen is the Minister of Natural Resources should step aside on the Devco issue. We should bring in a minister who is at least willing to listen, at least willing to understand the issues of Cape Breton, at least willing to sit down and talk with the two federal representatives from Cape Breton, not an unelected Senator Boudreau or unelected other people who are appointed by the government. The new minister could sit down and talk with the people of Cape Breton and the communities of Cape Breton to find out what the long term objectives should be for that beautiful island in the beautiful province of Nova Scotia.

In conclusion, I only hope and pray that the Liberal government will listen to the amendments brought forth by the two members

*Government Orders*

from Cape Breton and that we move forward with a very positive resolution for the people of Cape Breton, especially its coal miners.

• (1720)

**Ms. Wendy Lill (Dartmouth, NDP):** Mr. Speaker, I am very pleased to rise again to defend the interests of the people of Cape Breton against the government's plans as expressed in Bill C-11.

We are now at report stage. It is clear that the orders to government MPs have come down, which means no reasonable offers to change the bill are being accepted. We have seen government MPs oppose changes proposed by the duly elected representatives from Cape Breton to give Islanders some control over their future within the draconian regime set up under Bill C-11. Their reasonable offers to make the bill better have been shot down. This shows me that Bill C-11 is another legislative attempt, another piece of the Liberal government plan to dismantle the major institutions that build our country. The Liberals may deny this, but they have to learn that their actions have consequences.

The situation facing Cape Breton today has been brought about by some major government policy failures of the 1980s. I would like to take a moment to put on record some of these failures. Devco faced a number of problems in the 1980s, notably the impact of the 1981-82 recession and a disastrous fire that forced the permanent closure of No. 26 colliery in Glace Bay. Adding to these events were several policy decisions that had a direct impact on Devco's future. Since the 1984 loss of No. 26 Devco:

—has been living from hand to mouth without a long term plan for a reasonable, stable coal industry, hence the present situation.

That was a quote by Kent in 1996. Another quote reads:

Faced with a loss of production from No. 26 Devco opted to develop the geologically troubled Phalen mine while leaving undeveloped the Donkin deposit containing an estimated 300,000 tonnes. With the closure of the 26-year-old Lingan Mine in 1991, Devco was left as a two mine operation with no plans to develop a third mine. The shortsightedness of the approach was demonstrated when Phalen's premature shutdown precipitated the current crisis for Devco employees and their community.

Secondly, the Westray misadventure was harmful to Devco's future. There is some evidence that backers within government of the ill-fated mine were motivated by anti-public ownership bias toward Devco.

This was a comment by Dean Jobb in his book *Calculated Risk: Greed, Politics and the Westray Tragedy*.

In any case, the \$100 million in federal and provincial funds lost on that project would have gone a considerable distance toward paying the cost of developing the Donkin deposit. Furthermore, short term arrangements between Westray mine operators and Nova Scotia Power had the long term effect of forcing Devco to supply coal to Nova Scotia Power at its Trenton generator at a

substantially lesser price than Nova Scotia Power was paying at other generating plants. All this left Devco in a catch 22 situation.

After compromising Devco's ability to achieve a viable future with questionable decisions during the 1980s the Conservative government started the new decade by ordering Devco to become self-sufficient. This mandate was renewed by the Liberals after they took over in 1993. Self-sufficiency was accepted by top management of Devco as a legitimate goal.

However Devco never really had a chance to achieve self-sufficiency. Until geological problems at Phalen caused losses to mount in recent years, Devco was making money on its coal operations, but it failed to achieve self-sufficiency because it was required to make larger than anticipated pension payouts, some \$241 million over five years. These higher payouts were to be completed in 1999 but then it was too late. In May 1996 Senator Allan J. MacEachen stated that the loss of Devco:

—would create a major catastrophe and a social disaster for communities and their families.

Obviously in the year 2000 Cape Breton is in even worse shape than it was before. Cape Breton is struggling with a 23% unemployment rate. Today Nova Scotia's unemployment rate has gone down to 12%. It has recovered somewhat, but in Cape Breton nothing has changed. The unemployment rate at 20% is only slightly lower than in 1996. Employment and participation levels are almost identical.

• (1725)

If the loss of Devco jobs were a major catastrophe in 1996, it is even more of a major catastrophe now. The federal government has an historical responsibility to the coal industry in Cape Breton and Nova Scotia. Over the past 15 years the federal government has failed in its responsibility.

Cape Breton has the coal resource, a skilled workforce and a customer in the Nova Scotia Power Corporation. That should have been a recipe for a stable and successful coal industry that would have allowed a slow but sure growth of alternative employment, but through incompetence or bad faith the federal government has dropped the ball. It has been negligent and it should be required to pay for its negligence.

If the government truly believes in the concept of responsible government, it would take responsibility for its actions over the past two decades. It would work with the people of Cape Breton and their elected members to make Bill C-11 a better piece of legislation, one that would strengthen the embattled community of Cape Breton and not further undermine it.

**Mr. Rick Laliberte (Churchill River, NDP):** Mr. Speaker, I am honoured to speak to the motions in Group No. 2 which are before

*Government Orders*

us. The hon. member for Bras d'Or—Cape Breton and the hon. member for Sydney—Victoria certainly put a lot of thought into an issue that impacts their communities. The whole island will feel the repercussions of Bill C-11. These motions were put forward to correct some wrongs and oversights which occurred in the context of the bill.

It seems to be a challenge that at least one employee representative will sit on the Devco board of directors. It is not an unimaginable practice in any other corporation, community or sector. Providing an employee representative to sit on the board of directors is an honourable gesture. Any employee who has served in the industry, in the company and in the community would have a lot to offer in the decisions to be made in the very short term and in the long term in dealing with the whole issue of Devco.

I will give a brief explanation of the second motion in this grouping. There is a residency requirement for members of the board of directors. The majority of the directors of Devco should live on Cape Breton Island in the communities affected by the corporation's decisions. These decisions are major in impact and in concern, as highlighted by my hon. colleagues on this side. We are trying to get government members to realize that these amendments could make drastic changes in how the bill unfolds and how the decisions in the whole industry unfold in Cape Breton.

We are saying that the majority of the directors of Devco should live on Cape Breton Island. It is a small request but it is a major request. We do not need to transport people from all over Canada to serve the best interests of an industry and community in that region. Cape Bretoners are very capable of handling their own affairs, and certainly a lot of the solutions are with Cape Bretoners.

It has certainly been highlighted and recommended, dealing with the directors of Devco, that representatives of the employees' pension association ensure that one-third of the directors come from the employees' pension association. The crux of this major debate and major concern of the employees is how their pensions are interpreted, administered and identified among them. It is a major issue. If they have that much vested interest and seniority in terms of the years of service in this corporation and in the industry, they should assured of one-third of the Devco board of directors. This representation is a crucial part of the motion.

• (1730)

Selecting at least half of the membership of the body designated to manage the workers' pension fund is another motion that has been brought forward. If the body designated to manage the pension fund is created, then at least half of the people sitting on the representative body should be from the pension fund association.

These motions are common sense recommendations. It is hard to speak on common sense when everybody should have grasped the

whole aspect. All the government members should take a second look at the motions that have been put forward. When the motions are voted on, they should vote with their conscience and vote for the common sense request.

The hon. members sitting with the other parties on this side of the House have been very silent on this issue. I challenge them to speak and debate these issues. These representations could certainly be taken by other sectors, other communities, other corporations, other mines in a very short while. The whole aspect of protecting workers' rights and views is of utmost importance for us, but it should be for every member of parliament. There are workers in the communities of all of our constituencies.

The whole issue of coal mining and the evolution of mining in this country and the transfer from private to public ownership and flipping back to private ownership is certainly a concern. I have experienced certain changes in ownership from public to private in my neck of the woods in dealing with the forest industry.

The forest industry in northern Saskatchewan is viewed as pristine. As of late there have been huge allocations of forest management and harvesting. The present forest management practices use mechanical harvesters. It is not like the B.C. terrain where they have to climb halfway up the mountain and then they are limited by the elevation.

The boreal forest is flat. There are no inhibitors. The only things that stand in our way are the waterways and maybe the communities. Certainly, we should not overlook that a community could be perceived to be in the way of any development. Community development, industrial development and social development should all be taken in context. In future plans, governments of the world now use sustainable development as a coined phrase for future sustainability, the integration of social, economic and environmental issues. The communities are an integral part of this development.

The Devco workers are asking that they be respected as a community of workers, as a community in Cape Breton. They should be an integral part of the development of any other industry in the region.

Going back to the forestry issue, there was an allocation of a major pulp mill just 18 miles from my community. At the time it would have been a bleaching process and huge amounts of chemicals would have been poured into the Beaver River which flows into the Churchill River. This was stopped. It was stopped because of an election. The government changed and a new attitude of policies and perceptions took place and the whole private pulp mill was dumped.

Years later it came back. Now it is a cleaner process. It is still an allocation of the forests. It is still a private pulp mill that produces paper. Who uses bleached paper? I do not know for what purpose we have to have extremely white paper. Why we have to bleach this

*Government Orders*

paper and poison ourselves is beyond me. We could use paper that is more natural, which would be less harmful in its processes on our environment and our health.

A pulp mill was created. Huge allocations of the boreal forest were made, but there are no profits. In our region, every year the provincial government has to backfill all the losses for the pulp mill.

• (1735)

What are we doing it for? Why are we cutting these huge tracts of land from forested properties using the excuse that it is going to burn by forest fire anyway, that we take a certain percentage of harvested forest to use for paper that was deemed to be forest fire damaged anyway. They cannot see that forest fires recycle the nutrients in soil and recycle the nutrients for the many species that live in the forest. Clear cutting with mechanical harvesting by no means replenishes any nutrients in any soil or any region.

The community has to be taken into account. The whole region's economy has to be taken into account. The environmental impact has to be taken into account. The whole context has been coined as sustainability.

It is a challenge for the government to look at these motions on workers' rights and representation on the Devco boards, and workers' representation on pension associations. These are common sense requests that hon. members have put forward on Bill C-11.

I call on all members to seriously look at these motions and provide a debate on the Devco issue which impacts a certain part of our region that has contributed for the betterment of all the country. Looking at the history, they certainly have done that.

**Mr. Gar Knutson (Parliamentary Secretary to Prime Minister, Lib.):** Madam Speaker, pursuant to Standing Order 26, I move:

That the House continue to sit beyond the ordinary time of daily adjournment for the purpose of considering Bill C-11, an act to authorize the divestiture of the assets of, and to dissolve, the Cape Breton Development Corporation, to amend the Cape Breton Development Corporation Act and to make consequential amendments to other acts.

**The Acting Speaker (Ms. Thibeault):** Will those members who object to the motion please rise in their places.

**Mr. Peter Mancini:** Madam Speaker, I rise on a point of order. The terms of the motion indicate that we should extend the time, but it does not say until when. I do not know if that means we should operate around the clock. I do not know if that means we should operate until the end of July. I do not know if it means we should go until the Prime Minister decides to call an election. Given the vagueness of the motion, I have some questions in that regard.

**Mr. Bob Speller:** Madam Speaker, I rise on a point of order. The hon. member should read the rules. The rules do not indicate at any point that we put forward a time. If he reads the standing orders he will realize that the motion is in order. I would ask that you call the question.

• (1740)

**The Acting Speaker (Ms. Thibeault):** I find the motion to be in order. I have read it. If fewer than 15 members rise, the motion is deemed to be adopted. Will those members who object to the motion please rise in their places.

*And fewer than 15 members having risen:*

**The Acting Speaker (Ms. Thibeault):** I therefore declare the motion adopted.

(Motion agreed to)

**Mr. Scott Brison (Kings—Hants, PC):** Madam Speaker, it is a pleasure to speak to Bill C-11. Motions Nos. 6 to 11 and 16 increase the participation of the people of Cape Breton on the board of Devco either by requiring an employee to be a director or specifying a percentage of the directors who must be on the board of the Devco pensioners association. This makes common sense. It speaks to a fairer and more equitable way to deal with the Devco situation. This has to provide some level of participation at the board level for either employees or former employees and pensioners.

If we go back 20 years or more with regard to labour relations, traditional industries have had some employee representation on their boards for some time. In the automobile industry, Chrysler was the first company to have representation from the UAW on its board. I am surprised that in the original legislation this had not been proposed.

The PC Party supports amendments that would provide a greater level of participation for employees and/or Devco pensioners. This would increase transparency and openness of the process and would ensure a fairer level of participation and representation for the miners.

The issues of pension and severance packages have been discussed at length in the House and at committee. There are some real inequities in the current pension structure. Under the current plan workers with less than 75 pension points, a combination of 25 years of service and 50 years of age, do not qualify. It creates some bizarre situations. Some miners with 25 years of pensionable earnings would not qualify for a pension because of the 75 pension point plan. This does not make a lot of sense.

Last week the federally appointed arbitrator ruled that miners with 25 years of mining experience would qualify for pensions regardless of age, but denied the same benefit for miners with 20 years of experience on the basis that it would be too costly. This

*Government Orders*

change would allow an additional 246 miners to qualify for pensions. That is a step in the right direction. Medical benefits will be extended to 640 miners which also is a step in the right direction.

With regard to the Group No. 3 amendments, Motions Nos. 13, 14 and 15 would have the corporation's objectives continue to reflect the goal of providing increased levels of economic development—

**The Acting Speaker (Ms. Thibeault):** Order, please. Did I hear the hon. member say that he was speaking to Group No. 3, because we are still on Group No. 2.

• (1745)

**Mrs. Michelle Dockrill:** Madam Speaker, I rise on a point of order. There does not appear to be a quorum in the House.

*And the count having been taken:*

**The Acting Speaker (Ms. Thibeault):** I see a quorum.

**Mr. Scott Brison:** Madam Speaker, I apologize for having gotten ahead of myself with the amendments in Group No. 3. It is just another case of the PC Party being ahead of its time.

Clearly there are issues of fairness that have to be dealt with, and these amendments are a step in the right direction.

Among the big picture items that have to be considered is, what is the plan the government has relative to future economic development opportunities for the people of Cape Breton? For far too long Devco provided a sense of comfort in an industry which really did not have the long term sustainable viability that would provide employment and economic opportunities well into the next century. Whenever there is a change of this magnitude it creates huge social and economic upheaval.

I would hope that we would take a serious look, not just in Cape Breton but throughout Atlantic Canada, at some of the examples of other countries which have utilized various levels of tax reform as vehicles for economic development.

Probably one of the greatest examples of innovative social policy combined with innovative fiscal policy to create greater levels of economic opportunity would be that of Ireland. If we compare Ireland 10 years ago to Atlantic Canada today, we could see some significant areas of comparison and opportunity. Over the past 10 years, because of innovative policies, Ireland has had 92% growth in its GDP per capita.

I believe in Cape Breton, in Nova Scotia and in Atlantic Canada, and I think we have to get a lot more innovative about how we address economic development issues in Atlantic Canada and other regions. I would hope that the government would work with

the University College of Cape Breton, Jacquelyn Thayer-Scott and some of the other innovators in Cape Breton who are working to incubate some of the small IT companies in the new economy. With the death of distance as a determinant in the cost of telecommunications, we can see a stream of world leading IT companies coming out of Cape Breton into the 21st century. We need to work together to create an environment which will make that possible.

**Mr. Dennis Gruending (Saskatoon—Rosetown—Biggar, NDP):** Madam Speaker, before I begin I would like to call for a quorum count.

**The Acting Speaker (Ms. Thibeault):** The hon. member is calling for quorum.

*And the count having been taken:*

**The Acting Speaker (Ms. Thibeault):** I see a quorum.

**Mr. Dennis Gruending:** It is a dubious pleasure to speak to Bill C-11, the Cape Breton Development Corporation divestiture act. I say dubious because of the great hardship which the government and this bill have put upon the people of Cape Breton.

My colleagues from Cape Breton have dealt with the details of the entire bill very well in many speeches, as well as the groups of amendments. Group No. 2, which we are now on, relates to ensuring that people from the community and pensioners are on the board. This speaks very directly to a responsibility to the community and to a transparency and accountability which has been sadly lacking in the way in which the government has dealt with this legislation, and specifically the Minister of Natural Resources. I heard someone say earlier that every time we ask a question about this subject, it almost seems as if he has gravel on his seat. He does not seem to want to talk to it and he is very uncomfortable with it.

The way the Liberals have dealt with this whole issue speaks reams to their callousness and their ability to manipulate events and people in the regions.

• (1750)

There was an astounding lack of consultation in this whole matter. The benefits, when they were announced, were completely insufficient. I am speaking of health, pension and economic development benefits. The Devco arbitration decision, which was released on June 2, made it entirely clear that the package was inadequate, which our members, in particular our members from Cape Breton, have been saying all along.

The way in which the government dealt with the legislation, quashing the debate at second reading, was undemocratic in the extreme. It is completely uninterested in holding public hearings. That should not surprise us a bit, because that is the way it has dealt with a whole lot of other information in the recent past.

*Government Orders*

I want to concentrate on something a little different tonight, which also speaks to the heart of the matter in the second group of amendments.

If I may give a bit of context and background, this past weekend the Prime Minister of our country was in Berlin speaking to a group of what I consider to be largely social democratic governments about progressive governance. We might question initially what he was doing there. We found that it was due to his good friend, the president of the United States, Bill Clinton, that he was even invited.

One may also ask what Bill Clinton was doing in a meeting talking about social democratic governance, the third way, or as the Prime Minister calls it, the Canadian way. I was reading in *The New York Review of Books* this past winter an article by an esteemed American economist, Robert M. Solow, called "Welfare: The Cheapest Country". The cheapest country was the United States.

He ends his article by saying that what really distinguishes the United States is the equanimity with which the majority contemplates the poverty of a minority. So one might ask what the president of the United States was doing in a meeting talking about the third way, and secondly, what he was doing inviting our Prime Minister to talk about the third way when clearly he does not know the first thing about it. The way in which the Cape Breton Devco situation has been handled speaks entirely to that.

This weekend the Prime Minister was boasting about Canada's "mixed economy", the third way; not private enterprise solely, not development by the states solely, but a compassionate and intelligent mix of the two. That is what our Prime Minister was talking about, but as I said, I do not really know what gives him the credentials to talk about it.

I briefly want to give a couple of examples which really do relate to Cape Breton and to the Devco situation. He says that the challenge is to seize opportunities, believing that private economic growth has to be complemented by public investment, yet we have a situation here where a mine which has been publicly owned is going to be sold off. We do not know to whom. We have no idea whether they will keep mining coal. We have no idea who will be employed. We do not even know if someone might buy this mine and shut it down, simply because they do not want to have competition from it. This does not speak to me of a government which comes at a mixed economy with any integrity or knowledge whatsoever.

The context here is that he is lecturing governments from other countries of the world, like the Netherlands, Norway and Sweden. Our Prime Minister is lecturing them about the mixed economy and the third way. This might be a good standup routine for Yuk Yuks comedy, but it is not exactly what we would expect at a meeting of august members of governments from other countries.

In this context, the Prime Minister says that Canada's governments make a clear commitment to preserving the Canada pension plan. It was not that long ago, a couple of years back, when we were fighting tooth and nail to keep the government from downsizing the Canada pension plan. When it got pushed to the wall and could do nothing else, the government did not cut it as badly as it was planning to. Suddenly now it is taking credit for enhancing it. That is the way it always goes with the Liberals.

He talks about a progressive income tax system. We know from the last budget all about the progressive income tax system. Yes, it is very progressive for people who have capital gains to pay, for the more affluent in our society and for people who are dealing with stock options. It is very progressive for them, but there is not very much for the rest of us. As our party has pointed out again and again, there is very little for health care.

● (1755)

He brags about the employment insurance program. That will make my colleague from New Brunswick double over with humour. We have had to fight the government on the employment insurance system tooth and nail again. Even having done so, the benefits are much more difficult for people to get. It has caused a great deal of hardship for people, in particular working women.

I could go on. He talks about the government's support for students. We know all about that support. The government does admit that student debt has increased. That is about the only ray of truth I see in the document.

He finally says that governments have to find new ways to engage citizens. The government certainly has done that in Cape Breton with Devco. People are engaged in anticipating their own demise.

It is a bit rich when the Prime Minister of Canada goes to another country to, I suspect, set himself up as some wise person who will return home and call an election on the things he is talking about. When and if he does that we will be here to remind him that, despite the highfalutin words, these are mainly false and hollow promises.

In the couple of minutes left to me I want to refer to another thing which is a cruel deception being practised on the people of Cape Breton. We have been told that these mines are being shut down. We are not sure whether the coal which still exists in reserves will be mined in Cape Breton to supply coal for power generation in Cape Breton. What we do know, and it is already happening, is that coal is being hauled from Colombia to be sold to Nova Scotia Power, being hauled on ships owned by the Minister of Finance I might add. However, that is not my main point. What I want to talk about is the race to the bottom being perpetrated by

*Government Orders*

this government on the people of Cape Breton and how it will impact other countries.

A mine leader from Colombia where this coal is being purchased, Francisco Ramirez Cuellar, was in Canada recently. He told us that he feared for his health and safety when he went home because he was coming to Canada to speak out about what was happening. We now have information from the inter-church committee on human rights in Latin America, dated May 29, 2000, concerning an urgent action about renewed threats against this Colombian trade unionist. As he had suspected and feared when he went home, he was followed. It says that there were at least two attempts when people in utility vehicles tried to pick him up. If they had he probably would have lost his life.

I ask myself and I ask members across the way what kind of development it is when we have these kinds of situations occurring, when people in Cape Breton are being played off against people in the third world. What are they being played off against? They are being played off against regimes which will torture and murder people who dare to unionize to improve the situation for their workers.

This is a shameful situation. When we look at the motions being put forward to improve the sad situation which this government has perpetrated upon the people of Cape Breton, the amendments that my party is putting forward are the least we could ask. I humbly ask members across the way to give these motions consideration and to at least pass them so that we can hold our heads high eventually when we talk to the people of Cape Breton, rather than having to hang our heads in shame because of what we have done to them.

**Mr. Brent St. Denis (Parliamentary Secretary to Minister of Natural Resources, Lib.):** Madam Speaker, I will only take a few moments of the time of the House. The government will not be supporting these amendments. I will not deal with the comments or the content of the speeches of my friends across the way. I would not have enough time to do that. I will only comment on the amendments themselves.

When it comes to suggestions, which are essentially the focus of these amendments, whereby the number of directors on the board would be either from Cape Breton or from the Devco pensioners' association, with no disrespect to anyone, at the present time five of seven board members are in fact from Cape Breton. There is one vacancy, I will acknowledge.

I do not think it necessary whatsoever to limit in legislation the membership of the board. In fact, over time, as the work of the board reduces after the sale, the size of the board could conceivably decrease to one or two people. This would only limit the appointment process.

With that we will hopefully proceed to the third group of amendments.

• (1800 )

**Ms. Bev Desjarlais (Churchill, NDP):** Madam Speaker, it is a sad day for all of us here. We have reached the point that in order to receive at least some kind of reasonable and fair debate on a situation so important to so many Cape Bretoners, we literally have had to force the government into every little piece of debate we get in the House.

It is extremely sad that on this day there are parties, such as the partners, the brothers and sisters so to speak, of the Liberals on the right side of politics, the Conservatives and the reform alliance, who swear up and down against closure but will not stand in the House to force debate on this issue for Cape Bretoners. Not a bit. They are right over there with the Liberals. They might as well sit in the same seats. We have said all along that there is no difference.

I think Cape Bretoners will now know true to heart that there is no difference among any of those parties. They had a chance to speak out on this issue, to support Cape Bretoners, and to support amendments that would assist the people in that area of the country and they have failed to do so, there is no question.

I want to thank my colleagues, certainly from Nova Scotia, but from Cape Breton, who have made it very clear to us as their caucus colleagues the importance of this issue. We have followed it with them through the numerous stages over the last number of months. They have raised their concerns with us almost each and every day over the last number of months, or even a year or so since this all started to transpire. Their concerns are for the people of Cape Breton and what they saw the government do to the coal mining industry in Cape Breton. They have kept us up to date all along.

We still had a shred of hope that government members would see the light. But lo and behold they are buried somewhere down in that mine with no hope of ever coming out. They cannot see that there is a need to put in some kind of progressive amendments that will support the people of Cape Breton, the mine workers who have been there for years. I thank my colleagues for keeping us abreast of that over a number of months.

It is beyond me why the Group No. 2 amendments cannot be supported by all parties in the House. There does not appear to be anything dastardly that will overthrow the government. The amendments call for fairness. They talk about the reform alliance's favourite route, to be at the grassroots, to keep the people involved. Did they support going out to Cape Breton to hold meetings and have the people involved in the discussions? Not a chance. Not the people in reform alliance because they talk one way this time of the year and another way when they think nobody is watching. But that is not the case. Canadians will know that it is just a lot of talk and no action when it gets right down to it. The bottom line is they did



not support amendments to have mine workers or pensioners on the board. Boy, that is a shocker.

What is so far-fetched about wanting the people who put in years of their lives and probably their health in a good number of instances, to have an opportunity? An hon. colleague from the Liberals said there may be a time when there are only one or two members on the board, that they may not need that many and they do not want to restrict it by having to have Cape Bretoners.

If we took that kind of attitude in the House of Commons, where would we be? Let us restrict it by not having any members from Ontario. Boy, that would do it. It is absolutely disgusting to even hear those kinds of statements. It makes absolute sense to have the people who will be most affected by this legislation and most affected by what happens with their pensions on the board.

There is not a lot of trust. I do not have a lot of trust in who the Liberal government might appoint to a board that will look after my pension. I would like to have some say in that. It is not unreasonable for Cape Bretoners and the mine workers to have a say in who will be looking after their pensions.

The Group No. 2 amendments are pretty much all along that line. Motion No. 9 states:

That Bill C-11, in Clause 8, be amended by adding after line 41 on page 3 the following:

“(4) One director other than the Chairperson and the President shall be an employee of the Corporation”.

That provides for at least one employee representative to sit on the board of the Devco board of directors.

• (1805 )

Another shocker is that the government changed the Financial Administration Act to make sure it could sell off Devco at, let us say, a buck. Let us get down to it, it changed the act so it could sell off Devco not even at value.

Canadians will be watching just to see what happens with Devco because after today they will know it is an issue. They will know that government patronage is probably lurking somewhere. To the credit of the reform alliance members, they love digging up smut. I am sure when this is all done they will be able to follow up on who ends up buying the coal mines and Devco, if they so choose. We never know because they change from day to day and maybe they will not bother. Let us see whether it is tied to one of the front seats on the other side of the House. It will be very interesting and Canadians will be watching.

**Mrs. Michelle Dockrill:** Madam Speaker, I rise on a point of order. I think you will find we do not have quorum.

### *Government Orders*

*And the count having been taken:*

**The Acting Speaker (Ms. Thibeault):** I do not see quorum. Call in the members.

*And the bells having rung:*

**The Acting Speaker (Ms. Thibeault):** I see quorum.

**Ms. Bev Desjarlais:** Madam Speaker, this is somewhat of a captive audience and it is wonderful, I have to admit. I was making the point about the government's inability to recognize what is important to Canadians and its inability to recognize what people in certain regions of the country want to be a part of. They want to have a say in what happens with their future. I mentioned pensions and wanting representation on the board for pensions so people have control over their future.

We need only look at what happened with the Department of Indian Affairs and Northern Development and the Royal Oak Mines in Yellowknife and the pensions of those workers. What did the government do to those pensioners? What did it do to those workers after the years they put into that mine, the taxes they paid for the government to flaunt around and do with what it will?

The government did not provide services and health care. It did not provide enough funding for education. It did not provide enough funding for infrastructure. What did the government do with the taxes after the hard work of the miners at Royal Oak Mines? What did it do with their pensions? The Minister of Indian Affairs and Northern Development signed away their rights for a few bucks. There was no consideration for the work they put in. The government would not sign away the pensions of our colleagues opposite, not for a second, but for ordinary workers the government does not give a spit, not a bit.

It might be quite apparent to the Liberals that I am very disappointed over this whole issue. I am disappointed that we have had to force the government to be concerned about Canadians.

It is not okay to be flippant all the time. We can heckle. Our parties can banter back and forth, but it is not okay to be flippant about the lives of Canadians. It is not okay to be flippant about the life of that Colombian labour leader. It is his life. I want each and every one of those government members when that man's death gets reported in this House like the 90 other Colombian labour leaders' deaths, to recognize that their government supported that by not making sure we did the things we could as a good and caring socially conscious government to make sure that the rights of workers are respected everywhere.

The Liberal government, the reform alliance and the Tories always make sure to look after big business. It can come up with legislation to protect every business, every tax break it can give a

*Government Orders*

business and corporation, but it cannot come up with anything as simple as protecting the rights of ordinary workers and the leaders who are out there fighting for them. Ninety labour leaders are dead and our government is a cohort of that government in selling off jobs in our country to that government.

At some point the people across the way will have to let that sit on their conscience. They will take it to bed at night and will take it with them when they leave this place. That is what it is all about. It is not the flippant attitude that they do not know the person so they do not care. That is the impression that is being given to people around the world, except for business, and it is not acceptable.

• (1810)

Those colleagues on this side of the House will continue to be on this side of the House because they have no leadership. Until the NDP came to the House this issue would not have been talked about. The Devco bill would have been over and done with because they are not speaking for Canadians either. They are there right along with the other ones. It is only because we are here that they have had to recognize this issue. Most of them are hanging their heads in shame because they have not spoken on this issue to protect these workers and ensure that they have a fair say in their pensions and representation on the board of directors. Not a word.

I hope some of the members across the way will take this to heart.

[*Translation*]

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Madam Speaker, once again, I want to say that I am pleased to speak to Bill C-11. I am pleased to speak to the bill but not so pleased with what may come of it.

I am sure that this is not easy for the people of Cape Breton, for the miners who have worked underground for some 30 years and for the younger ones who have not been working that long. With Bill C-11, the government is trying to pass the buck on Devco. This is certainly not easy for the people of Cape Breton and I can sympathize with them.

It is not easy for workers in a region such as Cape Breton, where the unemployment rate is as high as that in the Acadian peninsula. It is not easy today for a miner 40 years old, who has been a miner all his life, to realize that he will one day lose his job. Where will he find another job? It is not easy today, with the new economy, this knowledge and high tech economy. I put myself in the shoes of the miner wondering what he will do if and when he loses my job. I was talking about someone 40 years old, but there are others who are 45 years old. That is still young—I am 45—but I would not be prepared to go to university.

I remember the prime minister saying that one has to acquire new skills three times in his lifetime. My God, three times in a

lifetime. It costs a young person \$30,000 to \$40,000 to get a university degree. If he has to do it three times, he will be in debt for the rest of his days.

But, with Bill C-11, the miner in Cape Breton is going to be left in limbo. Is he going to have a job tomorrow, or not? That is the problem. That is what needs to be dealt with. How can these people be helped? It is sad and unfortunate that the government has taken this position. It is too bad that the government has not put into place a program saying “Some people will be able to retire, but we have another program that will help others re-enter the labour force and offer them new opportunities”. Instead, they are offered nothing but uncertainty.

Think about it, we have here nearly 305 MPs quaking in their boots—or should I say their high heels, Madam Speaker—because they do not know if they will be re-elected in the next election. Everyone is worried, and there is a lot going on in ridings. Things are hopping because the MPs want to get re-elected; they are afraid of losing their jobs.

Now, put yourself in the shoes of the Cape Breton miner, who also does not know whether he is going to lose his job or not and who might find himself without a livelihood. Put yourself in the place of this miner who is going to wake up jobless one fine morning. That is no easy thing, especially for a person with a family, with children who go to school or university. It definitely is not easy.

• (1815)

The NDP asked the committee to go to Cape Breton to meet with the workers, sit down with them and listen to their concerns. We did not get the support of this House. I want to tell the people of Cape Breton today that the NDP supported them from start to finish.

[*English*]

I am sure the people of Cape Breton are listening on CPAC to the debate in the House of Commons tonight. They will see that the only ones who are getting up in the House of Commons, one after the other, are members of the NDP.

We are fighting for the people of Cape Breton, fighting for the working people of Cape Breton, fighting for the miners who are facing the possibility of losing their jobs. It is not the Liberals. They do not have any alternative for those people. I am telling the Liberals on the other side of the House that it is not easy for working people who worked in the mines all their lives driving scoop trains or being miners to find a job today in this country at the age of 40 or 45.

I worked 15 years in the mines. I know what a mine is. High technology is not what one finds down in the mines. When one leaves mining it is a big problem. What are the Liberals saying to those people? Are they being told to get out of Cape Breton? The

*Government Orders*

Prime Minister has been saying all along that if they cannot find jobs they should go somewhere else. That is too easy.

The people of the Atlantic provinces want to live in the Atlantic provinces. We were born in the Atlantic region and we have the right to live in the Atlantic region as Canadians. We need the government to not only support Ontario. Are we part of this country? Yes or no.

We had a member in our region who wanted to sell out the Atlantic area. His name was Doug Young and he is with the Canadian Alliance today. That is where he is.

The government is not helping the people of Cape Breton with what it is doing. It is leaving them with no alternative, leaving them there in the cold. It is not helping those miners and it should be ashamed.

As I said, the 301 members of parliament in the House of Commons shake in their pants and hey shake in their dresses because they are worried about the upcoming election and probably losing their jobs. Most of them are a bunch of lawyers. They should not be worried about losing their jobs, but the people of Cape Breton have to worry about it because they do not have a job the next day. It is not easy for working men and women who lose their jobs and have no alternative. It is no fun for their families, living in the dark and not knowing what will happen to them the next day. It is no fun for them.

One of the things we ask is for members of the parliamentary committee to fly by plane to Cape Breton. If they are afraid of a plane, it is not that far. They could meet with the people of Cape Breton and listen to what they have to say. The Liberals did not want to go to Cape Breton. They do not want to get up in the House of Commons and speak about it. Are they shy or what?

The only thing the Liberals say is that the caucus of the Atlantic met and let us catch the wave. I hope the people of Cape Breton tonight are listening and will let the wave go by because the Liberals are not there to fight for them.

We in the Atlantic have served the Liberals on a silver plate for 100 years, and this is what we get today. Brian Tobin, Premier of Newfoundland, said that the people of the Atlantic would never give up on the Liberals. The Liberals gave up on the Atlantic. That is what happened in the Atlantic region. They gave up on the people of the Atlantic region. They came to the Atlantic region and took all our resources. They took all our fish. After doing that they said they would cut their employment insurance and put them on welfare. That is what they have done to the people of the Atlantic.

• (1820 )

Today we have a Liberal government that does not want to take responsibility for the gaffer, the one in French we call le trov noir,

the black hole. These people cannot go from one season to the next. The provincial government says that it is not its responsibility. The federal government says that it is not its responsibility. Its wants the people of Cape Breton to go on welfare. The NDP will fight for the people of the Atlantic and for the people of Cape Breton.

**Mr. Dick Proctor (Palliser, NDP):** Madam Speaker, when we left on Friday we were dealing with Devco and here we are 48 hours or so later entering extended hours to deal with the bill yet again.

I congratulate the member for Acadie—Bathurst on a very emotional speech. He and others in the House are saying that before the legislation goes forward Cape Bretoners should have the chance to have their say. It is for this reason that we moved amendments that would allow for the Standing Committee on Natural Resources and Government Operations to hold hearings in Cape Breton before the legislation was voted on at second reading stage. However, in their haste to ram the legislation through and shut Devco down, the Liberal majority opposite rejected that suggestion totally and completely.

MPs in our caucus from across the country have stood up for Cape Bretoners. Over half my colleagues have spoken to second reading stage, led by our leader, the member for Halifax. All New Democrats from coast to coast to coast recognize that if the government is allowed to treat Cape Breton this way, it can do the same in every other region of the country.

On the other hand, the Liberals have quashed the debate on Devco at every step along the way. They ended debate at second reading stage of Bill C-11. They decided to end debate before a settlement had been reached on the issue of miners' pensions and severance packages. Before it was announced whether the buyer of Devco's assets would even continue mining in Cape Breton, the government simply sold off the assets. This was before any decision had been made about the remediation of mine sites or long term economic development to replace the jobs that would be lost.

It should be noted that only eight Liberal members even bothered to speak to Bill C-11 at second reading. Should Cape Bretoners be grateful that the Liberal government provided limited economic assistance after shutting Devco down? The committee process was a sham. Less than six hours were allocated to hear from witnesses. The witnesses were given less than 48 hours notice to appear and no time to prepare. The majority of government committee members were scarcely in attendance throughout.

The Liberal majority voted against all the amendments put forward by the opposition on behalf of witnesses and the people of Cape Breton. The NDP motion called for the committee to hold public hearings in Cape Breton among the people affected to allow the people hurt by the legislation an opportunity to be heard. The Liberals voted against it.

*Government Orders*

We also proposed a motion to ensure that health benefits for workers and their families who suffered from mining related illnesses would be allocated. Again the Liberal majority government voted against it.

We asked that representation for workers and pensioners on the pension board be ensured. This was denied. We asked that there be some representatives on the board of directors who actually lived in Cape Breton. This was denied once again by government members opposite. We asked for assurance that some of the representatives on the board of directors were from the Devco pensioners association. That too was rejected by the Liberal government opposite.

The other opposition caucuses have been generally supportive of the bill. Both right wing parties have been supportive of it, but why would we be surprised with that?

• (1825)

[*Translation*]

The enactment provides the necessary authority for the disposition of all or substantially all of the assets of the Cape Breton Development Corporation, and provides for the dissolution and winding up of the affairs of the corporation.

The purpose of the proposed legislation is to enable a private sector operator to acquire the mining assets of the corporation so that the federal government can exit the coal mining business in Cape Breton and to provide for the continuation of the existing jurisdictional regimes for labour relations, occupational safety and health, and labour standards.

The NDP will propose that the bill be withdrawn and that the matter be referred to committee, for three main reasons.

First, the unions representing Devco employees have taken the corporation to court for failure to meet its obligations under the legislation and seek to have clause 17(4)(b) included in any new legislation.

Second, we want the committee to be able to institute a process of full public consultation in Cape Breton in order to develop a long term strategy for the economic development of the region in order to offset the effects of possible privatization.

Finally, the uncertainty created by the recent court decisions with respect to first nations treaty rights and the repercussions on mining rights must be clarified.

[*English*]

There are a number of very excellent proposals in the Group No. 2 motions. I appreciate the fact that we dealing with them. The

member for Sydney—Victoria and the member for Bras d'Or—Cape Breton suggested that at least one employee representative should sit on the Devco board of directors. We also ask under Motion No. 7 in Group No. 2 that clause 8 be amended by adding after line 22 on page 3 the following:

“(1.1) Section 4 of the Act is amended by adding the following:

(4) The majority of the directors shall be residents of the Island of Cape Breton, Nova Scotia”.

My colleague from Sydney—Victoria urged that the majority of the directors shall be residents of the island and that there be residency requirements to ensure that a majority of the directors live on Cape Breton Island in the communities affected by the corporation's decisions.

Surely that would be a minimum. I am baffled to know why government members opposite would not be interested in having a minimal amount of protection and assurance that decisions taken in that region of the country shall be taken with the full knowledge and support of people who are actually resident on Cape Breton Island.

Motion No. 11 in Group No. 2 is certainly one that I endorse. It ensures that one-third of the directors of Devco are representatives from the employees' pension association. This is critically important.

My colleague from Acadie—Bathurst asked what would happen to those miners 45 or 50 years of age who have been working underground all their lives? Suddenly the mine closes. We buy imported coal from Colombia or wherever with miners' blood from that part of the world all over it. Cape Bretoners are thrown out of work. Jobs are very difficult, if not impossible, to come by. That is why having representation from the employees' pension association makes all the sense in the world. It would ensure that workers and their families are treated in the very best way.

The final motion in this group, Motion No. 16, would replace line 13 on page 5 with the following:

“18.(1) The Corporation shall by bylaw pro-”

It would also replace line 23 on page 5 with the following:

“(2) The bylaw shall provide that at least half of the members of the board or committee that is charged with managing the pension fund are selected by the Devco Pensioners' Association”.

• (1830)

This in effect would give the Devco pensioners association the right to select at least half of the membership of the body designated to manage the workers' pension fund. It also makes great sense that the local people would manage affairs as they wind down this corporation.

*Government Orders*

In closing I want to say that I am very pleased to have been part of this important piece of legislation and on the Group No. 2 motions. I would urge all members, not only the NDP caucus as we know where they will be, to support these reasonable changes.

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Madam Speaker, I am pleased to join with my colleagues to speak to the motions that fall under Group No. 2 pertaining to Bill C-11. I want to raise three concerns this afternoon relating to those motions and Bill C-11 as a whole.

I will begin my remarks by commenting on the significant contribution by members of the New Democratic Party, particularly from Atlantic Canada, to this debate and to this very important question around the future of not only Cape Breton but the whole country. It is a very hard act to follow.

The member for Acadie—Bathurst made an impassioned speech. He spoke from experience as a former steel worker, as someone who was down under and who worked in the mines. He brought important lessons to the House that ought to be listened to by everyone, not just members of the Liberal government but also members of the Canadian Alliance.

It has become clear to me, after having listened to the debate today, that the Canadian Alliance is only too quick to join with the Liberal government on Bill C-11 and dismiss the concerns of those people who gave their lives and who sacrificed a great deal for the economy of Cape Breton. They should not to be disregarded now and cast aside in the interest of expediency but that is characteristic of this government and the Canadian Alliance.

I also want to single out the work of the two members from Cape Breton, the member for Bras d'Or—Cape Breton and the member for Sydney—Victoria, who have brought so much to not only this debate about Devco but to many other issues. They have both been vigilant on this issue and others pertaining to Cape Breton. We are very grateful for the valuable contribution they make to our caucus and to this parliament.

Those members have had to deal with a number of issues that have posed serious difficulties for their region. Day in and day out they have spoken out for the people of Cape Breton, whether we are talking about the serious situation of Westray and the failure of this government to ensure that the corporation in question is held responsible for the deaths of these miners, whether we are talking about the serious situation of the tar ponds in Cape Breton and the years and years of inaction by this government to deal with that serious health problem, or whether we are dealing with Devco and the whole question of having an economic development corporation that is regulated and run according to the needs and aspirations of that region.

Whether we are talking about any one of those issues, the impact by those members has been clear and their representation as

members in the House has been noticed and has been important to all of us. I want to thank them for their work.

We also have a significant number of members from Halifax and Nova Scotia who have been very important in bringing these concerns to the House. We are very honoured and pleased with their participation.

I will now go to my three concerns. I want to note for the House that we are talking about Bill C-11. Is it not interesting that legislation from another jurisdiction, the province of Alberta, is also called bill 11? I want to point out the similarities between these two pieces of legislation. Maybe it is just a coincidence. Maybe it just happens that this number symbolizes the callous disregard of right wing governments everywhere when it comes to the needs of the people. Let me note the similarities. Bill 11 in Alberta really represents the nail in the coffin of health care, of medicare. In that regard, I note the failure of this government to deal for one second with the impact of that legislation and take seriously the concerns of people everywhere about how our entire hospital system could be opened up to private corporations.

● (1835)

Let us draw the parallels to Bill C-11 where this move to privatize, to deregulate, to dissolve the economic development corporation that has held Cape Breton in good stead over the years could also be the nail in the coffin for that region. It perhaps could symbolize every harsh, cruel measure taken by this government when it comes to the region of Cape Breton.

It is also very important to note that in both instances, whether we are talking about bill 11 in Alberta or Bill C-11 here in Ottawa, the government in question has chosen to disregard the interests and concerns of the people in those jurisdictions and has failed to allow for a democratic process to be involved.

Let it be clear that one of the reasons we are so concerned today is because of the way this government has brought down the heavy hand of closure yet again. How many times is it to date? This government has brought in closure over 60 times in three years. This is unprecedented, unheard of and unacceptable.

I speak with some authority on this question having just suffered through a few recent meetings at the health committee where the government has worked very hard to ensure that one of the avenues available to members to exercise their democratic right has been shut down and closed off. It has tried to control and manipulate the agenda so that this committee is not able to have an input on the most important issues facing Canadians today, health care, the number one priority of Canadians.

Each and every day we are faced with this kind of undemocratic, dictatorial, authoritarian measure by the Liberal government. I think it is something for which the Canadian Alliance members surely should be taking heed. It should be enough to make them

*Government Orders*

question why they are supporting Bill C-11 and why they are not standing with us on this very important issue.

I will now go to my second concern in the few minutes that I have left which has to do with the general trend on the part of the government to lead the way in terms of undemocratic government. I also want to mention the path that the government has chosen in terms of privatization and deregulation.

Bill C-11 represents one more move after a whole series of assaults on the Canadian fabric, on our very identity as Canadians, whether we are talking about CN, Air Canada, the way in which the government is trying to dismantle the CBC, food safety and the Canadian food inspection agency, Canada Post or Revenue Canada, we could go on for hours just talking about all the agencies and corporations, all the aspects of government that are so important for the health and well-being of Canadians, and how this government has chosen to offload its responsibilities somewhere else, on to the private sector and individual consumers, outside of its purview, away from the ability of the Government of Canada to ensure that Canadians can count on their government when it comes to fundamental questions of health, well-being, safety and when it comes to questions of economic security and jobs for the future. This is the most serious issue that we are dealing with when it comes to the government. I think it is important to simply quote from today's *National Post*. I do not normally quote from the *National Post* because obviously it poses real concerns in the way in which the *Calgary Herald* situation is being handled. However this clipping came across our desk today because it pertains to Walkerton and the whole tragedy around water safety.

I want to quote from an article by Bill Tieleman. It states:

It is time for a reckoning with those who would put blind faith in ideology and the unbridled pursuit of profit above the health and welfare of the public.

So while apologists for privatization and downsizing public services in this paper and elsewhere seek to defend their patron saint—Ontario Premier Mike Harris—

I see the Liberal government is trying equal none other than Mike Harris. The article goes on to say:

—by attacking his critics, the facts continue to mount up to an indictment of the Conservative government's policies.

In this particular case it was the Liberal government's policies.

I raise this because this government tends not to listen to what we in the NDP have to say. It will not listen to what people in the progressive movements have to say. It will not listen to social justice coalitions. Maybe it will listen to the likes of writers in the *National Post*. Maybe it will listen to people on the progressive conservative end of the political spectrum who say that enough is enough when it comes to the government's agenda of not only an undemocratic, arrogant style of government, but also when it comes to its extreme, right wing, fervent commitment to the corporate agenda.

• (1840)

My third concern has to do with the impact these policies will have on the health and well-being of Canadians in general. No one needs to remind anyone in the House about how important economic security and job security are to the state of health and wellness in Canada today. We know that when individuals and regions are hit with hardships, they are also hit with ill health and the spread of disease.

Let it be a lesson to the government that investments today into such things as economic development, corporations and organizations that seek to preserve the dignity of Canadians will hold us in good stead and ensure that health care costs will come down in the future.

**Mr. Peter Mancini:** Madam Speaker, I rise on a point of order. I call quorum.

*And the count having been taken:*

**The Acting Speaker (Ms. Thibeault):** I do not see a quorum. Call in the members.

*And the bells having rung:*

**The Acting Speaker (Ms. Thibeault):** I see a quorum.

Is the House ready for the question?

**Some hon. members:** Question.

**The Acting Speaker (Ms. Thibeault):** The question is on Motion No. 6. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Ms. Thibeault):** All those in favour of the motion 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):** The recorded division on Motion No. 6 stands deferred. The recorded division will also apply to Motion No. 9.

The next question is on Motion No. 7. Is it the pleasure of the House to adopt the motion?

*Government Orders*

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Ms. Thibeault):** All those in favour of the motion 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 yeas have it.

*And more than five members having risen:*

**The Acting Speaker (Ms. Thibeault):** The recorded division on Motion No. 7 stands deferred.

[*Translation*]

The recorded division will also apply to Motion No. 10.

[*English*]

The next question is on Motion No. 8. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Ms. Thibeault):** All those in favour of the motion 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 yeas have it.

*And more than five members having risen:*

**The Acting Speaker (Ms. Thibeault):** The recorded division on Motion No. 8 stands deferred.

[*Translation*]

The recorded division will also apply to Motion No. 11.

• (1845)

[*English*]

The next question is on Motion No. 16. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Ms. Thibeault):** All those in favour of the motion 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 yeas have it.

*And more than five members having risen:*

**The Acting Speaker (Ms. Thibeault):** The recorded division on Motion No. 16 stands deferred. I will now propose Group No. 3.

**Mrs. Michelle Dockrill (Bras d'Or—Cape Breton, NDP)** moved:

Motion No. 13

That Bill C-11, in Clause 12, be amended by replacing line 35 on page 4 with the following:

“good mine safety, to provide permanent, full-time employment to the residents of the Island of Cape Breton, Nova Scotia, and to conduct its operations in a manner that benefits the economy of the Island of Cape Breton, Nova Scotia.”

Motion No. 14

That Bill C-11, in Clause 12, be amended by adding after line 10 on page 5 the following:

“17. The Corporation, in conjunction with the Government of Canada or of Nova Scotia or any agency of either of those governments, shall adopt and continue all reasonable measures deemed necessary to reduce as far as possible the unemployment or economic hardship that is expected to result from the closing, privatisation or reduction in the production of coal.”

**Mr. Peter Mancini (Sydney—Victoria, NDP)** moved:

Motion No. 15

That Bill C-11, in Clause 12, be amended by adding after line 10 on page 5 the following:

“17. The Corporation shall adopt all reasonable measures to reduce, to the fullest extent possible, any economic hardship or unemployment that may result from the closing of any coal mine operated by the Corporation.”

He said: Madam Speaker, I rise to speak to the Group No. 3 motions moved by the member for Bras d'Or—Cape Breton and by me with regard to Bill C-11. A fair amount of quoting has been going on. I began my debate on Group No. 2 by quoting from the arbitrator's decision. Following that there was some quoting by the member from Bras d'Or of former Liberals, notably Prime Minister Pearson and Allan MacEachen.

I should point out that the arbitrator too quoted from the debates of 1967. This is what the arbitrator had to say about the passage of

*Government Orders*

the Cape Breton Development Corporation Act and specifically section 17 which, as I said earlier, is the section we relied on to suggest that this package was not fair from the beginning. I will read what the arbitrator wrote. This is not political rhetoric. This is the actual decision.

On June 20, 1967, when the legislation was being examined in committee of the whole House when there were Liberals on that side who believed in the dignity of the working people—

**An hon. member:** When was that?

**Mr. Peter Mancini:** That was in 1967. Let me go further because section 17 provides for the government to do whatever is necessary to reduce hardship. There is some sense of history repeating itself because here is what the arbitrator wrote on June 20, 1967, and here we are on June 5, 2000. Members of the New Democratic Party, in particular David Lewis, and of the Progressive Conservative Party, in particular Robert Muir who represented the community I represent today, expressed concern about the language of section 17 and proposed amendments which would have required Devco to provide alternate employment for employees laid off as a result of a mine closure.

• (1850)

In 1967, some 32 years ago, New Democrats stood in the House and suggested to the Liberal Party which was in power that there should be alternative employment for the miners in Cape Breton in the event of a mine closure. Here we are 32 years later fighting the same fight. Once again it is members of the New Democratic Party who are arguing that there should be fairer treatment of the miners in Cape Breton.

That being said, the Liberal government of that day did move section 17. So far we have Lester Pearson, Allan MacEachen and now we have Jean-Luc Pepin in 1967 talking about the need to take all reasonable measures to reduce as far as possible any unemployment or economic hardship that can be expected to result from the closure of any mine. That was then.

Today we have the pretender to that throne in Berlin talking about the Canadian way, proudly boasting that his party understands the need for government intervention in a mixed economy. While he says that, while he speaks the words of Lester Pearson, Allan MacEachen and Jean-Luc Pepin, his government passes a bill that refuses to allow Cape Bretoners to have the majority of the vote on the board of directors.

That is covered by the group of amendments we have already dealt with, so let us look at this group that the government will oppose. Let us read my motion and compare it to Jean-Luc Pepin's bill that the Liberal Party passed. Jean-Luc Pepin said that all reasonable measures to reduce as far as possible any unemployment or economic hardship should be taken. Let me read my motion:

That corporation shall adopt all reasonable measures to reduce, to the fullest extent possible, any economic hardship or unemployment that may result from the closing of any coal mine operated by the Corporation.

Those are the words of the New Democratic Party today. Those were the words of the Liberals 32 years ago.

**An hon. member:** What happened?

**Mr. Peter Mancini:** That is a question that Cape Bretoners will ask. That is a question Canadians should ask. As the Prime Minister stands in Berlin and delivers his speech on the Canadian way, the headlines say that the Prime Minister wants to take the party back to its roots. Its roots are here. When members opposite vote down these amendments and vote in favour of Bill C-11 they will have ripped up the roots of the Liberal Party.

I know this is not easy because I have had discussions with colleagues of mine on the other side. I know that they struggle with it. Some members opposite shake their heads. When the member for Saskatoon—Rosetown—Biggar talked about the labour situation in Colombia, some of the members shook their heads. I know they said he was not being relevant.

Let me tell the House what will happen with the passage of the bill. The number one asset of the Cape Breton Development Corporation is the contract to sell coal to Nova Scotia Power. It is worth millions. The proposed buyer for the assets of the Cape Breton Development Corporation will be an American multinational that will ship coal. It is already coming in. It is already feeding Nova Scotia Power. It is turning a profit for Colombian mine owners who murder trade unionists in their country.

When the bill passes there is no guarantee that Cape Breton coal will be mined. There is no guarantee that Cape Breton coal miners will have work. The government cannot guarantee that. We asked it that at committee.

I urge members to ask the minister in their caucus meeting whether Cape Breton coal will feed Nova Scotia Power. Will it feed that asset? The minister should be honest with his own caucus. Members will have an opportunity to find out at the caucus meeting. I urge members of the Liberal Party who believe in the vision of Pearson, Pepin and MacEachen to ask the minister in caucus whether there is a guarantee that Cape Breton coal will feed the Nova Scotia Power contract. If he says yes, with some guarantees, I think they can vote in conscience on Bill C-11, but I do not think he can give them that guarantee. I know he cannot give them that guarantee.

• (1855)

I asked the chairman of the board when he testified. We asked the miners. We asked the minister when he came. We asked Nova Scotia Power who it would buy coal from. It said whoever could produce quality coal at the cheapest price.



*Government Orders*

In a year, when Colombian coal is coming into Sydney harbour, if it comes and it will, it will be on their shoulders and the responsibility of members of the Liberal Party. They cannot say they were not told. I have told them. They cannot say they were not warned. They have been warned.

Tomorrow night we will see how they will vote. I should say for the record what is going on here tonight. This is one of the last debates on the amendments to the bill. We are having the debate tonight in extended hours because government members, again in an effort to push the legislation through the House, moved a motion that we would have extended hours. We have extended hours and there has only been passion in this debate by members of the New Democratic Party.

On behalf of the people of Cape Breton, I want to thank the 20 members of the fourth party in the House who have led the fight with my colleague and myself to try to bring forward some justice. It has only been us. We have been alone.

Let me conclude by talking about what a miner's wife said to me who came to testify before the committee. I ask Liberal members to listen. I will admit that after she testified we went out for a beer. There were two young former Liberals there. We went down to D'Arcy McGee's for a beer and surprise, surprise, there was a Cape Breton band playing. The bar was packed as they played Celtic music. This woman looked at me and said "Peter, I do not understand it. They like our music. They like our culture. Why do they hate us so much?"

**Mrs. Michelle Dockrill:** Madam Speaker, I rise on a point of order. There does not appear to be a quorum in the House.

*And the count having been taken:*

**The Acting Speaker (Ms. Thibeault):** There is no quorum. Call in the members.

• (1900)

[*Translation*]

*And the bells having rung:*

**The Acting Speaker (Ms. Thibeault):** I see a quorum.

[*English*]

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Madam Speaker, it is the second time in three hours I have had the opportunity to rise in defence of Cape Breton miners. Mind you, my hon. colleagues from Bras d'Or—Cape Breton and Sydney—Victoria seem to do an extremely good job on their own in defending the interests of Canada and workers within the Cape Breton area.

My number one concern is that the member of the New Democratic Party from Saskatoon—Rosetown—Biggar understands the situation completely and wholeheartedly but the Minister of Natural Resources who comes from Saskatchewan does not even have a clue as to what is going on. Why is that? Why is it that the minister displays such arrogance toward Cape Breton people that it permeates throughout the entire Liberal caucus and over to members of the Canadian Alliance, the Bloc and the Conservative Party who have been very silent on this serious issue.

One story I have not yet told in the House is that my father worked in the coal mines of Holland. After the war he was an electrician and worked in the coal mines in the south of Holland in the territory of Limburg. In the late 1950s and early 1960s Holland decided to shut down the coal mines. The answer at that time was outmigration. For thousands of people, including my mother, father and six of us, and I was just eight months old, the only answer was to leave the country.

My father was a POW during the war. Holland was liberated by the Canadians. The 55th anniversary of the liberation of Holland is this year and there will be a big celebration in Halifax from June 10 to 14. That was a little plug for my veteran friends.

My father always said that with a military like that, imagine what kind of country it is. In 1956 we came to Canada. During the 1950s, 1960s and 1980s we prospered and did very well as a large family. If my father were alive today, he would hang his head in shame over what the Liberals are doing to the people and the miners of Cape Breton.

The amendments the two members from Cape Breton have put forward are very simple and reasonable. They are almost identical to amendments Jean-Luc Pepin proposed in 1967, as we heard the hon. member for Sydney—Victoria say. They are almost word for word what one of the famous Liberals said back in the 1960s.

What do the Liberals of the year 2000 say? There is complete silence. They obey like lapdogs and sheep. I know most of them are not. I know most Liberals personally and they are very independent thinkers and fight for their constituents as well. But when it comes to legislation like this, they become lapdogs and sheep in the hands of one individual.

That individual is the Minister of Natural Resources. He has displayed his arrogance on every single question when it comes to Devco. His attitude is one of resistance, not one of help, understanding or anything else.

• (1905)

As the hon. member for Sydney—Victoria has stated very clearly, the Liberals have a very simple task to do. Ask the minister

*Government Orders*

tomorrow or whenever they get the opportunity, will Cape Breton coal be used in Nova Scotia power? It is a very simple question.

We want to have economic opportunities. The people of Cape Breton have a right to economic opportunities, as do all Canadians from coast to coast. As the hon. member for Sydney—Victoria pointed out, it may very well be imported coal that fuels the power for Nova Scotia. That does not make any sense at all.

The hon. member for Saskatoon—Rosetown—Biggar pointed out that in Berlin the Prime Minister was talking about the Canadian way and how we have a public pension and everything else but he forgot to mention that it was the Liberal government through forced legislation with closure that took the \$30 billion surplus from the superannuation fund. That superannuation money belonged to all current and retired members of the public service. That \$30 billion was taken in a flash. The money belonged to retired judges, military personnel, RCMP, public service workers and anyone who has ever worked for the public service. The money was taken by the Liberals to use at their bidding.

It is very similar to what the Liberals did with the EI legislation which also hurt the people of Cape Breton. They took that money in a huge surplus. Of course, the Canadian Alliance's position in its 1997 document was to give it back to the employers, forget the workers and just give it back to the employers.

The New Democratic Party is here to ensure that all parties, especially the government, do not ignore the workers and the plight of the families of Cape Breton. I can tell anyone listening out there and our fans in the gallery here that if the government can do it to Cape Breton, it can do it to any other spot across the country. Why? The precedent will have already been set.

Let me remind the government that the people do not want its pensions. They do not want a handout. They do not want buyout packages. They do not want to sit around. They want to be able to work, just like every other Canadian across the country. All they are asking the centrally based and centrally thinking government to do is to get out of the Windsor to Quebec City corridor and send a committee down to Cape Breton to listen to the stories and the truth. It would hear about the impact of the government's decisions on Cape Breton's people, families who have been there for generations and generations.

I am the New Democratic Party's critic for fisheries and oceans. I have seen what former Conservative and current Liberal policies have done when the enactment of DFO policies hit the inshore fishermen of Nova Scotia, and all of Atlantic Canada for that matter. It was absolutely devastating.

We all remember the 1992 cod collapse when 40,000 Atlantic Canadians were forced onto the welfare and assistance rolls and their livelihoods were taken away. What was the answer? Corporatization of a public resource, the fish stocks, and the system of

ITQs, individual transferable quotas, given away to corporations, many of them large financial contributors to the Liberal Party over the years. If we connect the dots and follow the money, we will see exactly why the decisions of the Liberal Party have been made.

For the life of me, I cannot understand for one second why a backbench Liberal would not accept the rational amendments in Groups Nos. 2 and 3 in order to have Cape Breton representation in the bill. That is all we are asking for, for them to have representation when decisions are made. They do not like decisions being made in Ottawa. They want decisions that are made for the people of Cape Breton by the people of Cape Breton. That is common sense and, I would say to the Prime Minister who is now in Windsor, it is the real Canadian way.

It is too bad that the Prime Minister, the Leader of the Official Opposition, the leader of the Bloc, and Mr. Joe Clark of the Conservative Party collectively did not have the backbone and spine of our leader the hon. member for Halifax. If they did, they would understand exactly what is going on.

● (1910)

As the member for Winnipeg North Centre said about the tragedy of what is happening to health care in this country, the only solution for the Liberals, the Canadian Alliance and the Conservative Party is to privatize it, just like they did to the fish stocks. Again when the dots are connected it will end up in their corporate friends' hands.

I must say it is unfortunate that the Atlantic caucus of the Liberal Party came up with something called "Catch the Wave". In it was a shipbuilding policy. They have been snooping in on NDP caucus meetings again because we have been fighting for that as well. It is another example of how the Liberal Party again has constantly ignored the issues which affect Atlantic Canada, my new home province of Nova Scotia and the beautiful island of Cape Breton.

There was a gentleman here before, a 17 year member of the Liberal Party, named David Dingwall. Where is David right now? Whoops, he lost. There was another member, and I am sure a lot of Liberals are very appreciative of the fact that Mr. Doug Young is now gone. When we speak to a lot of the Liberals, they are very pleased that man is gone, along with his arrogance which he displayed to the Canadian people and Atlantic Canada.

I only have one minute left but I just want to say this one last time and I say it practically on bended knee. I cannot get down because I will be ruled out of order. To my friends in the Liberal Party and to members on this side of the House, especially to my friends in the Canadian Alliance, the Bloc and the Conservative Party, please have a good night's sleep tonight. I ask them to look into their hearts and support the amendments brought forward by our two Cape Breton representatives. I assure everyone that things will go much smoother in Cape Breton if such a thing is done.

*Government Orders*

I have appreciated the opportunity to speak once again on behalf of the wonderful people of Cape Breton.

**Mrs. Michelle Dockrill (Bras d'Or—Cape Breton, NDP):** Mr. Speaker, as I listen to my colleagues from the New Democratic Party caucus speak passionately tonight about a part of the country that I love so dearly, I remember being a young child living in Glace Bay.

I am very proud to say that I am a daughter of a coal miner. My grandfather was in the coal mine when he was 11 years of age. I remember my first day at school. The teacher went around and asked us about our heritage, whether we were Irish or Scottish. I went home and asked my grandfather what my heritage was. He stood and adamantly said to me, "You are a Canadian and you should forever be proud of being a Canadian, because we live in such a wonderful democratic country". Unfortunately it is fair to say that my grandfather is probably turning over in his grave right now because I do not feel much like a good Canadian.

When we look at the amendments in Group No. 3, as we have heard from all of my colleagues, the amendments are not tying the hands of the government. Motion No. 14 says that "the corporation, in conjunction with the Government of Canada or of Nova Scotia or any agency of either of those governments, shall adopt and continue all reasonable measures deemed necessary to reduce as far as possible the unemployment or economic hardship that is expected to result from the closing, privatization or reduction in the production of coal".

Some would argue that members of the government do not want to support that amendment because they themselves are not really sure of the economic or social impact, but that is not true. The government's own document commissioned by the Prime Minister in 1995 told the government of the social and economic impact of privatizing Devco.

As we know, a study that the government commissions, especially when it is with respect to a strategy to allow foreign investment, is a very detailed document which talks about the loss of tax revenue both provincially and federally. It talks about the service sector and by what percentage it will be cut in Cape Breton.

• (1915)

It is fair to say that, unfortunately, the government did know what Bill C-11 would do to Cape Breton.

I was taught that government works by people making their case, by people making their argument. We tried that at committee. Unfortunately, there were less than six hours of hearings. I talked to some of my colleagues who have been here a lot longer than I. They have never seen a piece of legislation at any other committee dealt with the way Bill C-11 was. There was no steering committee

set up to discuss how long we would hold hearings, how many witnesses we would hear, or whether the committee would travel. None of that was done with Bill C-11. I cannot help but ask myself why. Is it because the government could not? Is it because the government would not? Or, is it because the government did not want to?

I have received a number of phone calls from miners, their wives and their children who are watching tonight, listening to the only people in the House of Commons who are talking about what is important to them, the members of the New Democratic Party. That is not new to us in the New Democratic Party. We have always been and will continue to be committed to workers.

A number of my colleagues made reference to a number of, shall we say, Liberals with a heart from years ago. I came across an interesting quote: "Business has a responsibility to eliminate the human deficit of unemployment. Canada must work not just for the powerful and the privileged, but for ordinary Canadians". I think it is pretty safe to say that is what we are saying in the NDP caucus. That is the job and the responsibility of government.

It is interesting that the quote I just read was made by the Prime Minister on February 27, 1996. Clearly, once again what we have seen is nothing but empty words and empty promises from the government.

I have another quote: "No one in the Chrétien government approves of the kind of corporate downsizing that is going on without having regard to the long term effect on communities in terms of the people". Who was that infamous individual? None other than the finance minister, who was quoted in Regina on March 6, 1996.

Once again we have had nothing in Cape Breton but broken promises from the Liberal government. Have Cape Bretoners asked for something they are not entitled to? I do not think so. All they have asked for is support from their government.

A few moments ago I heard a government member heckle "You do not want them to continue to be dependent". Who created the dependency? Why was the dependency created? Some would say it was created because once the government has a dependency then it has control. To a degree that was correct. The Liberal government did have control of Cape Breton until 1997. It did have control of Nova Scotia until 1997. It does not have it any more, because Cape Bretoners have now recognized what the government is doing.

We heard about a miner's wife who received a letter from the Prime Minister. In the middle of the provincial election campaign, all of a sudden a letter came from the Prime Minister saying "Don't worry. Be happy. We will look into it. We will look after the miners". That letter was worth about as much as the words that I just read from the Prime Minister. I have to ask myself why.

*Government Orders*

• (1920)

I have gone to schools and I have talked to kids about how important it is for them to have principles and integrity. One of the most difficult questions I have had asked of me in the three years since I became a member of parliament was when I recently went to my daughter's grade five class. The kids were wonderful. They wanted to know about parliament, what we do here and how we do it. A little hand rose up in the back of the classroom and a girl said to me "Miss Dockrill, may I ask you a question?" I said "Yes, dear". She said "My dad is a miner and my dad is not going to have a job any more. The next time you go to Ottawa can you ask the Prime Minister why I am not important to him?"

I will leave that question with the few Liberal members that we have in the House tonight to see if they can find an answer to that question, because I do not have an answer for that little girl. I do not know why she is not important to this government. Maybe it is as my colleague said, she is not from Ontario. I hope I am wrong, but unfortunately, with what we continue to see from this government, it is no wonder we have 10 year old children in Cape Breton saying "Why don't we count?"

**Mr. Bill Blaikie (Winnipeg—Transcona, NDP):** Madam Speaker, recently, this week and last week, there has been a great deal of discussion on the Hill about the consequences of the Westray disaster. There has been a motion already before the House and now there is a bill before the House from the hon. member for Halifax having to do with finding a way through the criminal code to deal with the contempt that mine owners sometimes show for the lives of their workers by virtue of negligence with respect to safety in the workplace.

There is another way to show contempt for the lives of miners and workers. We can show contempt for them by the way we dispose, in this case, of the property, of the place where they have made a lifetime vocational commitment. I am talking about the coal miners of Cape Breton, many of whom have worked for Devco for literally decades, some of them 30 years, 40 years; many 25 years, 20 years. We see the government moving to privatize Devco. I am against privatization in any event. I have seen the effect of other privatizations. It is an ideological fixation that I once associated with the Tories and I used to find surprising on the part of the Liberals, but now they have actually become even bigger and better privatizers than the Tories.

It is not just privatization in principle; it is also what is going on in particular with respect to Devco. What is happening, and this is what the government is not willing to do anything about or to fess up about, is that really what it is selling is not Devco. It is not a mine that someone else will take over and run to produce coal and sell coal to Nova Scotia Power or to other markets. What it is selling is a franchise to sell coal to Nova Scotia Power, which is a significant user of coal. The fear of my colleagues from Cape Breton, miners in Cape Breton and the people in those communities

is that the real agenda is not to transfer ownership; it is really just a way of selling this contract to sell coal to Nova Scotia Power. The mine itself, the machinery and all of the other things, including the employees, are a disposable part of the deal. The real heart of the deal, the real kernel, is the franchise to sell coal to Nova Scotia Power.

• (1925)

We would not be surprised if whoever buys Devco is not just someone who wants to go into the coal mining business, but rather someone who is already in the business of mining and selling coal from somewhere else. They do not have to take over Devco in the real sense of the word. They do not have to produce coal in Cape Breton. All they have to do is buy Devco to get the franchise or contract to sell coal to Nova Scotia Power, and they have a ticket to great wealth from here on in, courtesy of the Liberal government and the Liberal backbenchers who have their hands over their eyes when it comes to seeing what is really going on here.

**Mr. Lou Sekora:** Has the NDP taken over?

**Mr. Bill Blaikie:** I hear the hon. member for Port Moody—Coquitlam—Port Coquitlam making his usual incoherent noises, Madam Speaker.

The point is that it is the people of Cape Breton and the miners who have worked all these years for Devco who have been put aside.

I might say that we stand here very much in the tradition of former members of parliament from Cape Breton, New Democrat and CCF members. There were members such as Clarence Gillis and Andy Hogan, with whom I had the opportunity to serve in this place for a brief period of time. This same great tradition has been served ably and well by the hon. member for Bras d'Or—Cape Breton and the hon. member for Sydney—Victoria.

All through the years we have been arguing for the welfare of the miners, and even when it came to this bill we realized that the government had the ability to get its way. It has the numbers. It used them tonight, in co-operation with other parties I might add, to impose a form of closure on this debate.

What is really galling is that it has not been willing to accept even the slightest amendment to its bill. We have seen this before. It is an unfortunate trend. There was a time in the House of Commons when members of the opposition knew they could not get amendments accepted which changed the basic intent of the bill or which significantly altered the consequences of the bill, but they could impose upon the conscience of government members to accept amendments which would make the transition a little easier, which would provide for a context after the implementation of the legislation, or which would ameliorate some of the possible consequences of the bill.

*Government Orders*

That is what our members from Cape Breton have been trying to do and in every way they have been met by a kind of intransigence, which I know has frustrated them in their efforts and has frustrated us. Let us look at some of the amendments they wanted to move.

They wanted to provide for at least one employee representative to sit on the Devco board of directors. That is radical. One employee representative to sit on the Devco board of directors. I am sure the Prime Minister, when he was over giving his third way speech, which really should have been called the zero way speech, was probably talking about involving workers and all kinds of flowery stuff. Here the Liberal government had an opportunity to include one employee representative on the Devco board of directors, and what do we get? Zilch. Nothing. Diddly-squat. Intransigence. Resistance.

This is not just an insult to the members who move these amendments; it is an insult to the people of Cape Breton. They must be asking themselves what kind of attitude the Liberal government has toward them that it would not trust them to have one employee representative sit on the Devco board, or a residency requirement ensuring that a majority of the directors of Devco live on Cape Breton Island in the communities affected by the corporation's decisions. If the government were really concerned about the consequences of this privatization for the community, would it not want to see members of the community on the successor board to make sure the new corporation had some sensitivity? If the government thought that a majority of the directors is too much for it to live with, it could have reduced it and provided some other number.

- (1930)

The list goes on: ensure that one-third of the directors of Devco are representatives of the employees' pension association. There are a lot of pensioners after a lot of privatization who have been absolutely beat up and mugged by the consequences of privatization.

I can think of two in particular. When a previous government privatized CN Express is a good example. The people who took it over had no regard for the well-being of workers or pensioners and a long struggle ensued. There are all kinds of reasons to be concerned about privatization.

Some privatizations have gone reasonably well and there has not been anything to worry about. One of the ways to make sure we do not have anything to worry about is to have people on the board whose first loyalty is to pensioners and to the workers. Is there any progress on that? Not at all.

The list goes on and it is why we have chosen this evening to raise this matter and to speak, one New Democrat after the other, in order to make the point one final time that what the government is doing is wrong. This debate over the Devco legislation has been going on for some time now, not just in the House but in

committee. It is wrong for the people of Cape Breton. It is wrong for the miners. It is wrong for the communities. It is a violation of everything that a number of former Liberal members of parliament and Liberal cabinet ministers used to stand up for. It is a sign of just how depraved and deprived the Liberal Party has become that it would even consider doing what it is doing here tonight.

[*Translation*]

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Madam Speaker, I am pleased to rise to speak to the third group of motions, Motions Nos. 13, 14 and 15. I am going to continue the speech I started earlier to some extent.

A look at the history of Devco reveals that coal has been mined on Cape Breton Island for 300 years. At its peak, the Cape Breton coal industry employed over 17,000 individuals. During the first and second world wars, Cape Breton's coal and steel were vital to the Allied war effort.

Following the second world war, the coal and steel industry declined significantly. In 1965, only 6,500 miners were left, and the remaining mines had to close. The Cape Breton Development Corporation was established under an act of parliament in 1967 as a crown corporation in order to acquire and streamline the Cape Breton coal mining industry and to create alternate jobs, through the government and the development of industry. Devco was to take stock and gradually cut out coal mining while creating new jobs through local economic development.

However, the federal government decided to begin developing new mines in order to meet energy needs following the OPEC crisis and with the rise in the price of oil in the early 1970s.

In 1980, the number of jobs dropped to 4,300 miners and the number has continued to drop since then, because of developments in technology. Since 1992, only two mines have been in operation, the Prince and the Phalen mines. In January 1999, the federal government announced it was withdrawing from the coal industry and that it would close the Phalen mine by the end of 2000, would begin the process of selling the Prince mine and would dismantle the crown corporation.

- (1935)

In the context of a 300 year case history like this one, I really want to explain what a miner is. The Liberal member said "We are sending money and we have to pay for them. It is time to put a stop to that. These people must be able to fend for themselves". That is almost the message they sent.

To be honest, I was insulted by that comment. As a former miner, I know what kind of work is involved. I worked underground. I know what miners did at Geco, in Manitouswadge, and I know what they do in Sudbury. I met these people.

*Government Orders*

I worked at Geco. I also worked at the Brunswick mine for 15 years. When I was working there and representing the unions, I had the opportunity to visit other mines. I went to Tucson, Arizona, where miners work underground. I am familiar with the work that these people perform. It is not easy work. A miner gets up at about 6 a.m. and begins his shift around 8 a.m.

I will tell a little story. Teachers from a nearby village came to visit our mine. They said “Miners are lucky, they are well-paid, perhaps too well”. That was the comment made by visitors before going down in the mine.

When these people put on miners’ gear, heavy miners’ safety boots, with battery-operated head lamps, shovels, coveralls, and protective helmets and went underground and walked on the rock face, and finished a four hour shift, what was their reaction? That miners were not paid enough. Four hours earlier, these same people were saying that miners were paid too much.

When I was a shop steward in the Brunswick mine, a foreman told us that we were not working in K-Mart. I agreed with him. It is true that they are not working in K-Mart. They are not working with Smarties and candies. They are working with rocks, and rocks can kill. Smarties do not kill people. It is perhaps not healthy to eat too much chocolate, but it does not kill people. It does not fall on their head and kill them.

Miners have to go underground, dig tunnels, blow up rock, and dig. They must prepare the ground. In the Brunswick mine, we buried six of our fellow workers in 18 months in 1976. That is not easy. In the Westray mine, they lost 26 of their co-workers underground; 11 of them are still buried there. That is not easy.

For 300 years, the people of Cape Breton have mined coal, and we see what they get today—uncertainty. They do not know what awaits them tomorrow. They do not know what awaits them in six months.

I am perhaps repeating what I said earlier, but it is important to tell Canadians over and over what the Liberals are doing to Cape Breton right now. The members for Sydney—Victoria and Bras D’Or—Cape Breton have explained to the House since the beginning how important it was for Cape Breton to try to save the jobs in the mines.

I saw the women of Cape Breton when they came here to meet with us. They had tears running down their cheeks because they did not know what would happen to their husbands should Bill C-11 be passed.

I can assure hon. members that a miner who works underground all day is dirtier than we are by the end of the day. It is not easy to be a miner. He has spent his day digging and setting explosive charges to get the mineral out of the ground. It is even worse for

coal miners; they come out as black as coal. Imagine, if their bodies are that black, what about their lungs?

● (1940)

As I said earlier, it is not true that a miner 40 or 45 years old can easily find a job elsewhere. Coal mines are not all over the place.

Working in a coal mine is different from working in a zinc, copper or gold mine. The difference is between what is called hard rock mining and soft mining. They are not in the least the same.

It is not true that a miner who leaves Cape Breton to try to find a job in another mine is going to find one overnight. It is not true that there will be work the day after, because the Caribou mine in New Brunswick is closed, the Heath-Steele mine is closed and all the miners are out looking for work. There are no jobs today.

These are our people. The people of Bathurst, New Brunswick, Newcastle, Chatham, Petit-Rocher, Beresford, Caraquet, Tracadie, Shippagan, Saint-Isidore, Allardville, Saint-Sauveur and Robertville are still looking for work. Are the people of Cape Breton going to find it? This will be another surplus of unemployed miners. Mines do not open at the drop of a hat.

The federal government and the Liberals are saying “Let’s catch the wave in the Atlantic. We have to garner votes. We lost all the seats in the Atlantic provinces”. If they want to gain the upper hand, it is time they looked after these miners, they provided something definite for them and they relieved them of the fear of having no money the next day to put food on the table.

Welfare is not the answer for miners who have served their country all their life, who have worked for years and years in coal mines in order to provide energy for Nova Scotia and part of our country. Treating them this way is unacceptable.

This is why we are saying to the government that it should be ashamed for refusing to send a parliamentary committee to meet these people and face the music.

Now that these points have been made, members must not forget who has spoken in the House this evening. The Liberals are certainly not trying to save the miners’ jobs.

[English]

**Mr. Peter Mancini:** Madam Speaker, I rise on a point of order. Despite the fact that close to a third of the New Democratic caucus is here, I do not think we have a quorum in the House.

*And the count having been taken:*

**The Acting Speaker (Ms. Thibeault):** I do not see a quorum. Call in the members.

*Government Orders*

*And the bells having rung:*

**The Acting Speaker (Ms. Thibeault):** I see a quorum.

**Ms. Wendy Lill (Dartmouth, NDP):** Madam Speaker, I am pleased to speak to the third group of motions on Bill C-11, the bill to divest the government of Cape Breton coal mines.

Earlier this evening on the second group of motions I spoke about federal government policy mistakes in the 1980s that have left Devco in the state it is in today. First, there was the decision not to develop the Donkin mine. Some 300,000 tonnes of coal which would have allowed for a healthy transition to a diverse economy were not mined. Federal and provincial government money instead went into the development of Westray, which we now know was a colossal disaster for many people in Nova Scotia.

The mine is not viable now because of short-sighted government decisions. Even though the coal is there, the markets are there and the miners are there, the government is divesting itself of Cape Breton coal mines.

Where will that leave the people of Cape Breton? I have some thoughts on that. Many members who have spoken very eloquently today have other thoughts on that. I want to look at the areas of poverty, out-migration, employment, education and housing.

• (1945)

First, I will talk about poverty. As would be expected in an area of high unemployment, the Cape Breton region has the worst poverty in Nova Scotia. Three of Nova Scotia's four poorest counties, as measured by the economic dependency ratio, are in the Cape Breton region, Cape Breton county, where the Phalen and Prince mines are located. Cape Breton county, with 13% of Nova Scotia's population in 1997, had 26% of social assistance recipients and 30% of workmen's compensation claimants.

I will now talk about out-migration. To the extent that former Devco employees are able to relocate, they will add to Cape Breton's chronic population decline. The population decline is not uniform across age groups. Between 1993 and 1998, the Cape Breton region had a net out-migration of minus 5,632. Cape Breton county bore the brunt of this population loss with 4,517. Of these, over 2,000 were in the age group of 18 to 24, all of our young people. Over 1,000 were in the age group of 25 to 44. Many in this latter group migrated with their children, accounting for a loss through migration of 665 in the under 17 age group.

What is the impact of all this economic devastation on education? There was a sharp decline in school enrolment, down 21% in Cape Breton and Victoria counties between 1985 and 1999, with a province wide decrease of only 7%. With provincial school funding based on a per student formula, this has made it difficult

for Cape Breton schools to provide needed programming. Significant out-migration of former Devco employees and their families will aggravate this problem.

What about housing? Another impact of the declining population is on housing sales and prices. The great majority of Cape Bretoners own their own homes. Houses are hard to sell in Cape Breton. It will likely be very difficult to relocate Devco employees and to help them sell their houses. Cape Breton is in a crisis and the Devco closure will make it even worse.

The Prime Minister is in Europe right now talking about the Canadian way. I want to send the government a simple message about Canada. We are a country which has always believed that the Canadian way involves responsible government. When one shuts down the mines and sits idly by as the provinces shut down the Cape Breton steel industry, the community is devastated. That is not responsible government. That is simply cruelty.

Cape Breton will not be the same with the closure of the mine. The infrastructure will be gone and it will not be rebuilt by the private sector. What is being done by the bill will not be undone. Having short term and stop gap solutions which are cleverly labelled transition funds gives no hope to communities like Sydney, Glace Bay, New Waterford, Dominion and many others. These communities have had their futures sold and the obvious response of the government is that it does not care.

If the members opposite force Bill C-11 into law then they obviously do not understand the consequences of their actions or they do not care about the future of Cape Breton.

Cape Bretoners are not looking for handouts. They want to work. They want to have a future for their families on the island. They want to control their own future, as we all do, and they want the major collective instrument which all Canadians have available to them, and that is our government, to act as a partner for their future not as an enemy who will deprive them of hope.

Like the people who founded this country, Cape Bretoners want a responsible government, one which listens, one which they feel will be there when they need it and one which will be willing to support them if that means helping all Canadians.

Sadly, with Bill C-11 we are seeing that none of these glorious goals our country was built on are reflected or supported, only dismantled.

• (1950)

**Mr. Dennis Gruending (Saskatoon—Rosetown—Biggar, NDP):** Madam Speaker, it is a pleasure to rise again in this debate, but on a new group of motions, and speak to Bill C-11.

*Government Orders*

Before I get into the specifics of those motions, it is obvious to anyone watching that we in the NDP caucus feel passionately about what is happening in Cape Breton. It is for that reason that we are speaking in this debate in relatively large numbers, since we have a small caucus. Most of our caucus members have been here either this afternoon or this evening talking on the bill.

We in the NDP felt that before the legislation went forward, and this goes back a bit in time, that Cape Bretoners should have had a chance to have a say about what was happening. That was one of the reasons we and they felt aggrieved in this process and why we have stood here this afternoon and this evening. It is also why the NDP proposed amendments that would have allowed the Standing Committee on Natural Resources and Government Operations to hold hearings in Cape Breton before the legislation was voted on at second reading.

In its haste to ram the legislation to close Devco through parliament, the government rejected that legislation, and not only that, rammed it through in a way that really limited the debate. We were opposed to that in other cases and in this case we are opposed to it even more.

There are a number of things that the government did not do right by the people of Cape Breton. As I said, it squashed the debate on second reading of the bill, which was not right in this place and not right for the people in Cape Breton.

The government also decided to end debate before a settlement had been reached on the issue of miners' pensions and severance. As many other people in our caucus have mentioned today, the arbitrator slapped the government on the wrist over that. If it is not feeling embarrassed, it well should.

The legislation was pushed through before any decision was made about the remediation of mines sites or long term economic development to replace the jobs that would be lost. In question period earlier today, one of my colleagues asked the Minister for Natural Resources if the money for severance would come out of the existing package for economic development or would it be new money.

I do not know how many ways there are to evade answers but that is just what the minister did. We still do not know this evening whether the extra amount of money that will come for pensions will actually be new money, which is as it should be, or whether it will be skimmed from the existing package that has been put forward.

I cannot help but think of some similarities between what is happening in Cape Breton and what has happened in my own area of the country, in western Canada, in the way in which the government has dealt with getting its way on some major things, with a great relevance to the economy of the regions.

In this bill it is the Devco mine which is a fixture in Cape Breton and terribly important to the economy and to the lives of individuals in the community.

In western Canada, to take one example, we had the Crow's Nest Pass freight rates on moving prairie grain. I will not go into all the details of how and why western Canadians were able to negotiate that in confederation, but it essentially relates to the fact that we are a large landlocked area and there was no competition in the moving of grain over large distances from farm to port. I might also add that over time the railroads have been given immense subsidies in land, money, and other things that accrued to them for building the railroads. We thought we had this benefit, one of the few benefits to our farm community, forever.

The government began a move to get rid of it. The ways in which it did that bears some resemblance to the ways in which it has operated here. It made its plans in the dark of night and behind closed doors. It was only when it had something to announce that it told people and then it would announce it in such a way that it was very difficult for the community to mobilize.

To make a long and sad story short, the Crow rate was taken away from us by the Liberal government in the 1990s. It said it would tide the farmers over by giving them a payment. The one time payment was made but it was kind of like buying people with their own money. The one time payment was made and then along came this government which got rid of the Crow benefit.

• (1955)

What have we seen happen? We have now seen freight rates for moving western grain move up, depending where the benchmark is set, from three to six times. Now when farmers get a green slip, as they do when they send grain out, they find that between 30% and 40% of that gross amount goes to freight rates.

The similarity I see here is that we have people saying, "This will be better for you in the long run". Is it not interesting how the people who think something will be better for us in the long run, short term pain for long term gain, are seldom people who are suffering from short term pain. They always think it will be better for us but they do not mind the very difficult transition period that is necessary which can break communities, families and individuals.

My colleagues in the NDP caucus, especially the members from Cape Breton, have moved a number of amendments. Regarding this third group, I would like to describe them as amendments that would really soften what seems to be the inevitable, the privatization of this company. By and large these amendments want changes, if changes are being made, to be made in a way that will guard and take into consideration the needs for employment in the region. We are not at all convinced by what we have seen that the privatization of this company will put any priority on that.



*Government Orders*

These amendments in Group No. 3 really speak to what we believe may or may not be the government's intentions as to what it is doing. We believe and know that the corporation is for sale. We do not know to whom. We do not know under what conditions.

Coal has been mined in Cape Breton for decades and decades but we do not know if a new buyer will mine coal there anymore. A new buyer might simply be buying what one of my colleagues described as a franchise, the right to supply coal for Nova Scotia Power and others, but will it put any priority on employment? We do not know that and that is the reason we are standing here and the reason we are prolonging this debate to the extent that we are. We do not know if we are getting, as we used to say in farm country, a pig in a poke. We do not know if the new buyer will continue mining. We do not know what will happen to people's jobs. We know that people will get laid off but we do not know what the conditions will be.

In the previous group of motions we wanted to ensure that at least some of the people involved in the boards of directors would have some sensitivity to the local community. We had the audacity to suggest that people on the board of directors for Devco, which is important to Cape Breton and has been over all these years, would actually be from the community and represent the community's best interests. We do not have any such guarantee.

In a sense we might say there are privatizations and there are privatizations. None of us in this caucus are arguing that everything always has to remain the way it has been, but there are ways in which one can deal with people and then there are other ways in which one can deal with people.

We are very concerned in this case that the government is taking privatization to mean something much different than what we in this caucus and members of the community would consider it to be. That is the reason that we feel so passionately about this.

This government's record on privatization is anything but reassuring. I think of CN rail. It used to be a national company. It has long since ceased to be a company that takes the needs of its customers much less their communities into account. There are two things we can now say about the new CN rail. First, it has had a record profit, and second, it has been gobbled up by an American conglomerate. We are afraid that will happen here.

There are many other examples we could give. I could give the example of Air Canada which is a raw nerve for many of us. What has happened to Air Canada? What has happened to its social responsibility, its knowledge that it was performing a national function? That is out the window. All it talks about now is shareholders.

In summary, this group of motions put forward by my NDP caucus colleagues want to ensure that if there is going to be a

privatization, that there is a priority put upon employment of the people who are affected by this in Cape Breton. We will not rest until that happens.

• (2000 )

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Madam Speaker, I am pleased to have another opportunity to speak to Bill C-11 and in particular to focus on the third group of motions. This is another attempt by the New Democratic Party caucus to convince the Liberal government to hear the concerns of Canadians, particularly the people of Cape Breton who have felt the harsh realities of the government's negative policies.

I think people will notice that if it were not for the NDP caucus here in parliament this evening, there would be no debate and an issue of grave significance for a large region of the country would be virtually ignored. We may be only 20 members in a House of 301, but we will do our utmost to make the voices of Canadians heard, voices which otherwise would not be heard in this place. As we said when we were elected, we will do whatever we can to wake up the Liberals and shake up Ottawa. I see that some of the Liberals are awake tonight. I hope they will hear the message we bring to them through this group of motions which are very constructive propositions that should be seriously considered.

Earlier today I tried to wake up the Liberals to what they are doing by drawing parallels between Bill C-11 and Ralph Klein's bill 11. It would be worthwhile to go over the similarities one more time in the interests of making a difference this evening.

The purpose of bill 11 in Alberta is to privatize health care. It is the first time in the history of this country that the possibility of private hospitals in our otherwise universally accessible, publicly administered health care system is real. Compare that to Bill C-11 brought to Canadians by the Liberals and note that it is about the privatization of the Cape Breton Development Corporation. It is the dissolution of an economic development corporation that has been a part of the history of Cape Breton for many years. There is privatization on the one hand with Ralph Klein and health care, and on the other hand there is privatization with the federal Liberals when it comes to economic development in the region of Cape Breton.

The second similarity is on democracy and the opportunity for people to be heard, to make a difference and to have their concerns taken into account. When it comes to bill 11 in Alberta, thousands and thousands of Albertans demanded to be heard. Ralph Klein decided that the views of those thousands of Albertans and Canadians everywhere were not important enough to be considered and arbitrarily proceeded with the bill. Of course we know the outcome today. Just a few days ago bill 11 received royal assent.

*Government Orders*

Let us look at the whole process of democracy when it comes to the government's Bill C-11 and the essence of why we are here today. The government refused to allow open public hearings before proceeding down the path of the dissolution of Cape Breton Development Corporation. We are here today because the government has denied any opportunity for the people most affected to have their voices heard.

In both cases the pattern is the same. They are autocratic, undemocratic, heavy handed approaches to decision making. As my colleague from Winnipeg Centre said, at least the Liberals are consistent. Absolutely. Day in and day out there are nothing but examples from the government of this kind of heavy handed, undemocratic approach.

Let me talk about the next similarity between Bill C-11 put forward by the Liberals and bill 11 put forward by the Conservatives or the reformers in Alberta. It is a question of who is supporting the bill. Let us look at what is happening.

Contrary to the wishes of most Canadians, the Liberals are lined up with Canadian Alliance members, Conservatives and the old reformers. Together in one voice they are supporting these two initiatives. On the one hand there was passive acceptance by the Liberal government when it came to bill 11 in Alberta and today with Bill C-11 there is proactive, initiated privatization on the part of the Liberal government. It is all the same whether we sit by and let it happen or we actually make it happen. It is the same outcome for Canadians.

● (2005 )

The outcome of these two bills is very similar. When it comes to bill 11 in Alberta we know what will happen if the bill is allowed to be proclaimed. It will mean for the first time in the history of medicare the possibility of hospital services being delivered by private for profit corporations. There is a hope, a possibility that it can be stopped, that the dangerous path embarked upon can be halted by some decisive moves on the part of the federal Liberals. We will continue to pressure the health minister and his colleagues to do just that before it is too late.

Let us look at the outcome of Bill C-11 brought to us by the federal Liberals. Again we are dealing with a survival of the fittest scenario. Those who can somehow eke out an existence without the support of the Cape Breton Development Corporation, those miners who can find other gainful employment or some security in their older years will survive. The rest will fall by the way, thanks to the government.

The similarities are absolute. It may be a coincidence that we are dealing with two bills numbered 11, but the outcome and realities are the same.

I want to touch on a couple of other points. One is that the government suggests time and time again that we on this side of the House should get with it, that with the new global economy we should change our ways, recognize that things like the Cape Breton Development Corporation are no longer feasible in this day and age and we have to tighten our belts and learn to accept these new realities.

There is another way other than the callous approach by the Liberal government. In mentioning that, I also want to point out the hypocrisy, if that is permissible in parliamentary terms, the double message of the Liberal government. The Prime Minister goes outside the country and delivers a speech on the Canadian way and says:

The success we have achieved as a nation has come not only from strong growth but from an abiding commitment to strong values, caring and compassion, an insistence that there be an equitable sharing of the benefits of economic growth.

I am struck with the difference between those words and the reality. It leaves us all to ask the question is this kind of initiative, is Bill C-11 the Canadian way? Is that what the Prime Minister meant? Is that where the Liberals are taking us in the future?

Nobody on this side of the House is suggesting that there are not changes to which we have to adapt and that global forces are at hand, but there is a difference in how we approach our responsibilities given those global trends, given technology and so on. We may not be able to deny globalization. We cannot always turn back the clock, but that does not mean we stop exercising democratic means to shape the nature of the global economy. It does not mean we leave to chance the kind of society in which we live.

Globalization does not have to mean helplessness. It does not have to mean an ever widening gap between the privileged few and the rest of us. It does not have to mean a generation of young people living in idleness. It does not have to mean leaving our senior citizens who have built this country to fend for themselves and survive by the seats of their pants.

The question for all of us is how can we channel trends like globalization into things that work for people? We have to take on the challenges but we have to do it based on the values the Prime Minister talked about but which clearly do not serve to guide him or his government in any way.

I want to end by simply saying that while we are not afraid of something new, we also know we do not discard something just because it is old. There are ideas and institutions which have outlived their usefulness and ought to be discarded, but in our eagerness to discard what is redundant and irrelevant, we must take care not to throw overboard the moral and social values without which human society would become a ruthless jungle.

*Government Orders*

**Mr. Pat Martin (Winnipeg Centre, NDP):** Madam Speaker, I am very glad to take over the debate, to receive the baton passed by my very capable colleague, the member for Winnipeg North Centre who was making some excellent points when her time unfortunately ran out.

• (2010)

At this late hour of the night it is significant to note that it is only the NDP that is standing up in defence of the people of Cape Breton. Speaker after speaker after speaker from the New Democratic Party caucus has tried to drive home the point that we are trying to emphasize the fact that the people of Cape Breton are not being well served by Bill C-11. In fact, Bill C-11 is so fundamentally flawed that it needs and deserves the attention of the nation and it deserves the attention of the House of Commons.

My seatmate here in the House of Commons, who is in fact my roommate as well as we share an apartment in Ottawa, is the member for Sydney—Victoria. We have become close friends. He and I have visited each other in our ridings. The member for Sydney—Victoria has visited me in the riding of Winnipeg Centre and I in turn have visited Cape Breton, the riding of Sydney—Victoria.

The one thing that struck us, even in the early part of our relationship, was the similarities that exist for those of us who live in regions outside central Canada. It is glaring and obvious to anybody who does not live within the great heartland where I suppose the power exists in central Canada just how our issues are not reaching the national forefront. Our issues are not being given the attention they deserve in terms of the direction in which the country is going. This leads to a resentment.

It is not any mystery why people resent central Canada. Frankly, it is because people in regions outside central Canada feel abandoned. They feel cut off. They feel adrift. Even if there was once a pact that sought to bring us all together in a national vision, that accord has been broken and shattered in recent years. It has been destroyed by the government. Ironically it was the Liberal Party in earlier years that created that accord, people with better vision than those in the present government. Notwithstanding the fact they may have been in rural governments in a past era, the deal has been broken.

Previous speakers have pointed out that our Prime Minister has been making speeches recently about the importance of making globalization work for all people. He is speaking in global terms. What he has not been talking about is making Canada work for all regions. That seems to be an obsolete concept. That seems to be a concept that was embraced by previous Liberal governments and it has been abandoned by the present Liberal government. Bill C-11 is the manifestation and personification of that abandonment.

I want to speak to the Group No. 3 motions to amend Bill C-11. We cannot really do that until we go through a bit of the history of why it is necessary that we have these motions at all.

First and foremost, the reason we are debating this issue tonight is that the Liberal government refused to bring the debate to where it belongs, which is to the island of Cape Breton to talk to the families of the Cape Breton miners and the people who are directly affected by Devco. It was cowardly of the government to introduce Bill C-11 and to close Devco without consulting the people there.

What were the Liberals really afraid of? Were they afraid that the wives and families of Cape Breton miners would come to them at a public hearing and voice their concerns? Is that so threatening? Is it so damaging that people might have an alternate opinion about what we should do about the dissolution of the Cape Breton Development Corporation? Cowardly is the only word that comes to mind.

The fact that we are here so late at night discussing this, trying to keep the House going so we can have this proper debate only indicates we should have had this debate much earlier when we had the opportunity. The government refused to go to Cape Breton to consult. It left the miners of Cape Breton with no alternative. Sometimes when the mechanism we put in place to give ourselves satisfaction in terms of having our voices heard collapses and falls apart, Canadians are left with no alternative but civil disobedience.

I hate to say it but it is true, the miners of Cape Breton took things into their own hands. We would not even be here today with the small bit of satisfaction that Cape Breton miners will get out of this dissolution if it were not for the courage of Cape Breton miners to take over their mine by civil disobedience, to strike illegally and to occupy the mine. That took courage. That took strength. That indicates to me that the government refused to listen to them and refused them access to legitimate means of satisfaction, which should have been available to them and this House of Commons through legitimate debate, and should have been available to them at the committee stage, when the committee could have actually toured Cape Breton and listened to the concerns of Cape Breton miners.

• (2015)

I am pleased that at the committee stage our party at least put forward meaningful amendments. Some of those amendments now stand before the House under Group No. 3, but they were raised at committee first. We made legitimate, honest attempts to change Bill C-11 to make it more fair, more just, more equitable, and they were refused. They were just cast out. They were categorically denied by the Liberal majority on the committee.

Some of those amendments were as reasonable as things like guaranteeing that the people of Cape Breton would be represented on any Devco board of directors in the future. How could anyone think it would be in any way wrong for the people who are directly

*Government Orders*

affected to have representation? Honestly, it is enormously frustrating for those of us who are still trying to get some satisfaction out of this bill.

It is really no surprise that there are no Liberal representatives from Cape Breton. I would say that Cape Bretoners have lost any confidence in the Liberal government to represent them adequately. There are only two members of parliament from Cape Breton. They are both from the New Democratic Party. I guess that explains partly why we are still here standing for Cape Bretoners and trying to represent their interests.

It comes to mind that there are no Liberal members of parliament from all of Nova Scotia. That perhaps is significant.

The debate on Devco was quashed by the Liberal government. The Liberal government has tried its best to deny voice to the people of Cape Breton by ramming Bill C-11 through the House of Commons, knowing full well that there are reasonable arguments to be made to the contrary.

Many of the things brought forth by the member for Sydney—Victoria and the member for Bras d'Or—Cape Breton two and a half years ago now find themselves in the arbitration award, the ruling that came down which resolved the illegal walkout and the occupation of the Prince Mine. Yes, the people of Cape Breton took the action of an illegal strike and an occupation of the mine, but to their very great credit they were reasonable enough to say that they would end the occupation if the government put the matter to binding arbitration.

They were confident that their argument had enough merit that an objective outside third party would see the merit in their arguments, would agree and would rule with them. It takes great courage for people to throw their future into the laps of an outside third party, which they did.

We are pleased to say that in very recent days this arbitration ruling came down. I believe it was on Friday, June 2. Ironically, that was the third anniversary of the election which saw every Liberal member of parliament summarily kicked out of Nova Scotia due to gross dissatisfaction. The ruling came down with almost word for word what the Cape Breton miners had asked for originally and what the members from Cape Breton have been saying would be a fair and just award in terms of pension settlement, in terms of long term support for those who will be displaced, in terms of representation on boards of directors for any institution that might replace the Cape Breton Development Corporation.

There is some satisfaction in that, but there is still a huge sadness and a huge disappointment for the people of Cape Breton that it took civil disobedience and direct action to get this satisfaction.

It speaks to the absolute arrogance and almost punitive kind of indifference, almost a malice toward the people of Cape Breton, that the government made them go to those degrees, to take those steps, to go to those measures to get what should have been theirs to begin with. Even still the arbitration award does not adequately speak to the whole philosophical shift on behalf of the Liberal Party, that Liberal members no longer feel any responsibility toward any region outside central Canada.

I did not come here to fight about western alienation, but the longer I am here I certainly sense how alienated I am as a westerner. I can only sympathize with my colleagues from Cape Breton, Nova Scotia or any region outside the golden triangle who may feel that the Liberal government has abandoned them.

• (2020 )

**Ms. Bev Desjarlais (Churchill, NDP):** Madam Speaker, I am sorry that I am here to speak to this issue, but glad that I have the opportunity to speak for another 10 minutes. There was a lot that I did not have the chance to say about the previous amendments and I will make a point of emphasizing those points.

We are now dealing with the amendments in Group No. 3. They have been brought forward by my colleagues, and obviously none of my colleagues from the other parties, not the reform alliance nor the Bloc. Maybe one member of the Conservative Party had a little meek voice at one point. There has been nothing from government members, not a thing. Once again it emphasizes that they are all on the same wave length, that they are all in bed together, so to speak.

I am really disappointed in my colleagues from the Bloc. As much as I know they are here strictly for Quebec, usually they have more of a social conscience than some of the other parties. Quite frankly, that they would not even stand to speak for workers in Cape Breton is a disappointment. I expected more of a principled approach. Those members are there to support workers. The workers are fighting for what is important to them, ensuring that they have a decent pension and an opportunity to have a say over what happens to their pension.

Again, as my NDP colleagues have mentioned, there are some really way out amendments being asked for. The other parties are quite bothered over having to stay these extra hours to discuss these amendments. It is important for people to know that the hours have been extended. The NDP has forced the hours to be extended. The government wants to get on with other issues, so it wants to extend the hours to get this over and done with. Let us wipe those Cape Bretoners out of the House. Let us get them off the Hill as quickly as possible and move this issue out of the way, so we can deal with other things and go home for the summer recess. Everybody here is mumbling because they have to stay late tonight.

*Government Orders*

As hon. members are mumbling because they have to stay late tonight, as they are really feeling put out, they should think of each and every one of those miners in Cape Breton. They should think of each and every one of the families in Cape Breton, those small and medium size businesses and all those people who will be directly affected by what is happening here today. As they are feeling bothered, instead of hemming and hawing and cursing, they should take a moment to think about those families in Cape Breton who will lose out because the government did not have the will to start working on this issue five years ago.

It is quite apparent that it planned this five years ago. Instead of getting on with things and ensuring that there was training in place and opportunities in place, the government is fighting, saying that it does not want to put any more money into that black hole. The reform alliance members are saying no more money into that black hole and asking where else would pensioners get any money at 25 years or whatever. They are moaning about that.

The bottom line is that those miners in Cape Breton do not want a government handout. They never did. They want to work. As rotten as the coal mining industry can be, as dirty, wretched and unhealthy as it can be, those miners want to work, just like the miners at Westray wanted to work. They want to put food on their tables, a roof over their head, and clothes on the backs of their families. That is what they want. They do not want a government handout. The government had this plan in the works. Did it do anything for the last five years? No, nothing. All of a sudden it comes down with this policy of "We are not going to give them anything. We are going to get out of this".

As I said when I spoke to the amendments in Group No. 2, we will watch to see what happens with coal mining in Cape Breton. If Devco is sold off for a little buck and a patronage investment is made, or if we see Canadian dollars being invested in Colombia, we will remind the government each and every day and we will remind Canadians each and every day that that was what it was about. It was a cheap investment.

We maintained all along that the government never really cared about decent labour standards, work standards or any of those conditions. It will take us right to the bottom. It will wipe out the coal mining industry in Canada, but invest in that same industry somewhere else with Canadian taxpayer dollars, the same dollars that those miners in Cape Breton put into the economy in their communities and throughout Canada through their taxes, their EI payments and their investments in the local economies.

• (2025 )

The miners in Cape Breton cannot afford to invest in the Cayman Islands. They cannot afford to run a flagship under another country. They are not investing in Colombia; they are investing in Canada. That is more than this government is making sure is done.

The first amendment in Group No. 3 asks for:

"good mine safety, to provide permanent, full-time employment to the residents of the Island of Cape Breton, Nova Scotia, and to conduct its operations in a manner that benefits the economy of the Island of Cape Breton, Nova Scotia".

That is pretty far out.

**An hon. member:** Good safety.

**Ms. Bev Desjarlais:** Yes, good safety. I can see why the government would shy away from that, good safety.

This whole horrendous issue could have been avoided had the government started dealing with it a number of years ago.

No one wants to see a situation where taxpayer dollars are invested and nothing really comes out of it. No one wants to see that. Neither do the miners of Cape Breton. This could have been avoided had there been some planning and work done over the last five years.

I would like to emphasize that those miners had to fight just to get a decent pension. My colleague mentioned the miners having to engage in civil disobedience, closing down the mine for a few days in order to get the government to at least come up with a decent pension. Canadians should be getting used to this now with this government.

The women of the federal civil service had to fight for pay equity for 15 years. They had to literally pull the government, kicking and screaming, into the new millennium. It took that long to get the government to pay what was owed.

The merchant marines had to fight for their pension. How long did it take? It has taken the three years I have been here just to have the government give them a decent pension, after all those years.

**An hon. member:** It stole the surplus out of EI.

**Ms. Bev Desjarlais:** Absolutely. How long did the hep C victims have to fight to see some kind of settlement? We still have some who are not covered. We will keep at it because we know that little by little maybe somebody on the other side will listen. Perhaps there will be enough voices raised in Canada to get those Liberals onside, to say nothing of my hon. colleagues on the other side who are busy mumbling because they have to stay late. Perhaps we will get something done.

The government should have got on with it and had things working. It should have made plans, rather than wasting the last five years.

We saw the same thing with the recent airline crisis. The government could have done something about it. We did not have

*Government Orders*

to be in this situation with a monopoly carrier. However, for the sake of deregulation and privatization, we had to make sure we did not have any of that because it was really bad. We needed a competitive industry. We really got the depth of a competitive industry in Canada, did we not? We have a monopoly carrier and numerous problems to go with it, all because the government did not act a number of years ago.

Today we are arguing over the high price of air fares and the treatment we are getting from Air Canada. The employees are taking the brunt of it. They are the ones who are at the counters with lineups two miles long. They are the ones who are taking the flack from the passengers, not the Prime Minister, not the Minister of Transport, not the Minister of Industry. Not them at all. Not the president and CEO of Air Canada. The workers are taking the flack, the ones who cannot afford to invest in the Cayman Islands. The workers are always taking the brunt of the policies and decisions of the government.

There is no question that the government does not look as though it will do anything about the amendments to this bill. It is shameful. It is very shameful. There is no question that none of the other parties will do anything. They have other things which they think are more important.

We have the Canadian Alliance members who are all rushing off to make phone calls to get someone to vote for Preston or Stockwell or Tom. I am surprised they did not send someone out to get Joe onside because pretty soon we will see the rest of them moving over there too. Then they will just move in with the government, because there is really no difference.

It is disappointing that none of those hon. members are here speaking out for ordinary workers and for the miners of Cape Breton. It is extremely disappointing.

**Mr. Peter Mancini:** Madam Speaker, once again I see a good portion of the New Democratic caucus here, but I do not think we have a quorum.

• (2030)

*And the count having been taken:*

**The Acting Speaker (Ms. Thibeault):** There is no quorum. Call in the members.

*And the bells having rung:*

**The Acting Speaker (Ms. Thibeault):** We now have quorum.

**Mr. Dick Proctor (Palliser, NDP):** Madam Speaker, I guess they must have come out of the mine. I am pleased to rise on to speak to the Group No. 3 motions. I want to address myself to the contents of the bill again and to indicate the support I have for the

two members from Cape Breton and from Sydney—Victoria. Motion No. 13 in Group No. 3 reads:

That Bill C-11, in Clause 12, be amended by replacing line 35 on page 4 with the following:

“good mine safety, to provide permanent, full-time employment to the residents of the Island of Cape Breton, Nova Scotia, and to conduct its operations in a manner that benefits the economy of the Island of Cape Breton, Nova Scotia”.

This motion involves broadening the good mine safety terms and includes an employment requirement on behalf of Devco.

**An hon. member:** Who would vote against that?

**Mr. Dick Proctor:** I have no idea why anyone would vote against good mine safety and an employment requirement on behalf of the development corporation. Motion No. 14 in Group No. 3 reads:

That Bill C-11 in Clause 12, be amended by adding after line 10 on page 5 the following:

“17. The Corporation, in conjunction with the Government of Canada or of Nova Scotia or any agency of either of these governments, shall adopt and continue all reasonable measures deemed necessary to reduce as far as possible the unemployment or economic hardship that is expected to result from the closing, privatization or reduction in the production of coal”.

This bill would reinstate the requirement for the development corporation and both the federal and the provincial governments to take all necessary steps and precautions to reduce the negative impact of the privatization or cessation of activities of the development corporation. Motion No. 15 in Group No. 3 reads:

That Bill C-11, in Clause 12, be amended by adding after line 10 on page 5 the following:

“17. The Corporation shall adopt all reasonable measures to reduce, to the fullest extent possible, any economic hardship or unemployment that may result from the closing of any coal mine operated by the Corporation”.

Again we support this initiative because it reinstates the requirement for the corporation to take all necessary steps to reduce the negative impact of the privatization or cessation of activities of Devco.

The motions categorized in Group No. 3 are very important to what we are trying to develop not only in Cape Breton but in terms of what we want to see carried out from coast to coast to coast with regard to proper occupational health and safety for mine workers in particular and an employment requirement on behalf of Devco.

Regarding the notion that the corporation should adopt all reasonable measures to reduce to the fullest extent possible any economic hardship, obviously there is coal in the ground in Nova Scotia. The mine nevertheless will be closed. We will be buying

coal offshore. Some of us are very concerned from where the coal will be delivered to Nova Scotia.

• (2035)

Some of the miners have worked for 25 years or thereabouts. It is tough to retrain those people after a lifetime of working underground. They will not come up and suddenly qualify for the new emerging technology, the infotech the other buzzwords that are so prevalent.

**An hon. member:** What about Silicon Valley?

**Mr. Dick Proctor:** They will not come out of mine valley and work in Silicon Valley. This is the essence of what my colleagues in the House have been trying to convey to the government and to members of other parties.

We are striving to make sure that these workers, these employees and their families are treated as humanely and fairly as they possibly can be. It is important not to lose sight of that aspect of it. That is why we are holding up this bill. That is why we are fighting for these changes. We think that what has been offered so far falls short of what is fair and just to these folks. They have been dealt a very bitter blow.

There has been an absolute lack of public hearings. I know the Minister of Natural Resources was there, but all attempts to have meetings in Cape Breton to debate and discuss this issue have been brushed aside in a classic father knows best approach that they do not need to hear from the local people, that those in the Department of Natural Resources have all the answers and do not have to bother with hearing from the folks who are most closely affected.

The people of Cape Breton deserve a lot more than what they have been offered by the government in this bill. Again that is why we are so supportive of the important motions of the member for Bras d'Or—Cape Breton and the member for Sydney—Victoria.

We are talking about the issue of the representation. We want to ensure that the proper associations are represented so that they can sit down with management and discuss the issues that can help the employees and their families to reach a proper, just and fair settlement.

This will be the last time I will have an opportunity to speak to the three groups of report stage motions. We discussed some of them at some length on Friday and adjourned the debate at 1.30 p.m. We have been dealing today with Groups Nos. 2 and 3.

Good mine safety is obviously an important issue. These motions would reinstate the requirement for the corporation and the federal and provincial governments to take all necessary steps to reduce the negative impact of the privatization or secession of

### *Government Orders*

activities by Devco and would reinstate the requirement for the corporation to take all necessary steps to reduce the negative impact of the privatization or secession of activities by Devco.

I will pleased to participate in the third reading of this bill.

• (2040)

**Mr. Rick Laliberte (Churchill River, NDP):** Madam Speaker, Bill C-11 deals with an issue concerning the Cape Breton region. Why did the government not allow any consultation to take place? Why could the committee not travel to Cape Breton and speak to the community?

It is not like we are dealing with all coal mines in Canada. We are dealing with one mine in one location, in one city, in one region, in one part of our country. This is why this debate is happening. My hon. colleagues have stood time and time again to bring forward the concern that the community is not being listened to. The community could best represent itself if the bill and its amendments were debated and discussed at the community level.

The motions before us touch on health and safety and jurisdiction. The economic impact of the bill should be designed to be a positive one for the region and the community. Any dismantling of the Devco mine or any rearranging either by private initiative or closure of the mine should be looked at as a positive step out of a very negative move.

The debate today challenges members on the government side to realize that our common goal as parliamentarians is to make the communities in our regions as well as our economic and industrial sectors better places. Closing down the mine or possibly selling it to private interests is a major transition for Cape Breton.

To reach this point has taken decades of evolution. To abandon Cape Bretoners without their having a solid grasp on the details or on the implications is not acceptable. It is fine to draft procedures in a bill, but if we predict the impact it will have on the community that is where the concerns start to overflow into the House. The concerns at the community level far outweigh the benefits.

The community has stated its concerns through its duly elected members of parliament. We are calling on all members of parliament to respect those views. They have been formulated into amendments to create an act that better represents and better serves the community. These amendments are what we are debating tonight.

We want Liberal members to take a second look at the amendments and to vote in favour of getting community representation on the Devco board. We want the pensioners' association, the people who have amassed huge pension funds and huge seniority credits over the years of serving in this company, to have a say in the

*Government Orders*

dissolution of the mine. They should have a vested interest as they know what is best. They risked their lives. This is no ordinary mine by any stretch of the imagination. The health and safety of the miners were in peril in the mines every day.

A good friend of mine, Mr. Matt Minglewood, sings a classic song called *Working Man*. He is an excellent blues performer from Cape Breton. He sings this song with his heart and soul, just as Rita MacNeil would sing it. It deals with the life of a coal miner and the lost ones who did not make it home. This song hits hard.

• (2045 )

These are the concerns of the constituents, the miners and the families and from which the amendments have been formulated. It is detrimental. In my back yard there are uranium mines. There will be a delayed impact on those mine workers. We might be concerned about our miners in about 20 or 30 years when the impact starts to show up. The respiratory and safety issues for coal miners from being underground with unstable minerals, unstable walls and ceilings in some cases are much more immediate. The gases that emanate from this fossil fuel are detrimental constantly. That is the view with which we bring our passionate debate; it is from caring for our workers. We should duly respect them.

We should have taken the committee hearings right into that community because it concerns their mine and their immediate community.

We are at the third group of our amendments. I want to crawl into the conscience of the members who are listening, who are present in the House or who are watching the debate on television in their offices. This will come to a vote. We ask government members to seriously look at these amendments that strengthen the arguments and concerns that constituents have in Cape Breton, and those of the workers and pensioners in terms of losing a livelihood and the opportunity to raise their children as they have been doing for so many generations in that neck of the woods. That is the way I look at it.

That part of Canada has contributed to all of the economy of Canada. The steel that came from Cape Breton built a lot of our railroads and industries in the industrial age. Let us give those people thanks. Let us not disrespect them in a way such as this. Coal energized, heated and electrically lit many of these buildings during much of the electrical revolution which took place. This country was founded on many of the developments from coal that was mined in that region.

Let us give those people due respect. They gave us a fighting chance to have an economic stronghold in Toronto. Toronto should say thanks. Montreal should say thanks. Vancouver should say thanks. All the people we represent in the House should make a

conscious effort to thank that region which is hard hit economically, environmentally and healthwise. Some things will be genetically passed on to their offspring.

There is the legacy of the tar ponds, pollution which is being left right in the middle of their community. We have to take responsibility as a nation. We represent the nation of Canada. Bill C-11 attempts to devolve an industry that may be justified. The question of whether it is justified was tossed around. If it is, let us do it in an honourable way.

The honourable process is to debate it correctly and thoroughly. It should be listened to and heeded. If common sense approaches are given by our colleagues in their representations of their constituents and communities, they should be taken seriously by the government. The senior officials of the government should mentor their voters and tell them to vote with their consciences, to vote in the right way.

In closing, the Devco issue has certainly come to a head on making a decision on the future of a community and the livelihood and careers of many families. Let us give it due respect. Let us give that because of what those people have done for the economy of the country and what they have done in trying to represent themselves.

Some of the amendments try to allow workers to sit on the board of directors and to allow pensioners to sit at their association tables. It is so they can make crucial decisions as opposed to parachuting in someone or in the worst case, putting someone in these positions for partisan reasons because of their political stripe or because of the card they carry. Let us respect the community for what it is trying to achieve in its people representing themselves.

An honourable way to end the debate is to vote in favour of the amendments that my hon. colleagues have brought forward.

• (2050 )

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, I am very pleased to have the opportunity to speak in this debate and I suppose I would have to say to make one further plea to members present and those members presumably representing their caucuses to take seriously what it is we are involved in tonight.

I heard my colleague from Churchill River say that some of us are trying to get inside the heads of our colleagues opposite to understand what they are really thinking about the impact of the legislation before us on the lives of miners who have devoted literally their working years to the coal mining of Cape Breton and the impact on the whole communities in which those people live.

I suppose for members opposite it may seem we are just here to wrap up a bit of unfinished business, that we are just taking care of what is left over after the miners of Cape Breton have been employed for a period of time by Devco. Now progress has to go



*Government Orders*

forward and since privatization is the mantra of the government on many fronts these days, it is just more of the same and we are just of wrapping up the assets and putting them to bed, washing our hands of it and everything is taken care of.

It is very important for us to take stock of exactly what has gone on here and what it is we are really engaged in, in dealing with this stage of debate on Bill C-11. We need to think about the backdrop for what is going on here. What is the context in which this discussion is taking place?

I know that my colleagues, particularly the two members who so ably represent the people of Cape Breton Island, the member for Sydney—Victoria and the member for Bras d'Or—Cape Breton, have worked very hard to put forward the concerns of their constituents, not just of the coal miners, but of their families, their extended families and their entire communities, really the entire economy of Cape Breton. They have tried to make members, particularly on the government benches, understand the extent to which Devco has been a positive economic development tool for all of Cape Breton Island.

The economy of Cape Breton Island is an exceedingly important part of the economy of the province of Nova Scotia. That is why members from all of Nova Scotia are very much engaged in this debate. But it goes beyond that.

What all of the members of the NDP caucus understand, and it does not appear as though there are many others in the House who understand, is that if the government of the day gets away with doing to the people of Cape Breton Island and to the generations of coal miners of that community, what it is apparently hell-bent on doing, then it could do the same to any other community in Canada. That is why the New Democratic Party has been absolutely steadfast and persistent in standing against what the government is doing here in dismantling Devco and basically saying it will just wash its hands of the future of the coal mining industry in Cape Breton.

The government will do the trendy thing. It will lay it open and invite the privatizers to come in. It will turn it over to private industry. Anybody who thinks that is a welcome initiative to the people of Nova Scotia, particularly the people of Cape Breton, does not know the history of coal mining in Cape Breton.

They do not understand what went on in the lives of miners who were employed by those private corporations. It was hell. It was a very unhappy era in the history of Nova Scotia's economy.

• (2055)

If it is too much to ask government members to go back and look at what happened in the province of Nova Scotia when coal mining was in the hands of the private sector, maybe some of the members

opposite could take a moment to think about what went on in the hands of a private corporation in Nova Scotia more recently. There is no one opposite, particularly this week, who can pretend they do not know the history of what happened under the private corporation, the Westray mine, Curragh Resources.

I have to say that in my 20 years in politics, without a doubt, the most horrifying experience that I have ever endured was to spend an evening, as I recall of four or five hours, with the coal miners who had survived the Westray disaster and with the widows and families of the victims of the Westray disaster a day or two after the lives of those 26 miners were lost. If there was one thing that became clear to me, it was the difference it made to coal mining in Cape Breton and in fact much more dangerous coal mining taking place in Cape Breton. Let us be clear that it was much more challenging, with very deep mines way out under the ocean floor. There is no question that it was very dangerous work and very vulnerable to any number of horrifying kinds of disasters.

Does anyone know what the difference was? There was a genuine sense that the public interest had to be protected, that the lives and the livelihoods of the miners had to be protected and that this was a resource, this was an asset to the whole of the Cape Breton and Nova Scotia economy. What a contrast between the experience of workers employed by Devco, a crown corporation in Nova Scotia over the last several decades, and the horrors of what happened under the private coal mining company of Curragh Resources at Westray.

When I contemplate the kind of private industry start-up that apparently the government is very enthusiastic about, at least in concept, I do not think we are fully convinced that the government is serious about coal mining continuing under private auspices. In fact there is every reason to be suspicious that this really is the government saying "Let us wrap up the coal mining in Cape Breton and let us just move on". There is every reason to be concerned about what this is really about. Even if we took the government at its word and it was enthusiastic about coal mining under private auspices, we have to wonder if it has really learned anything from the lesson of Westray.

If there was any member opposite who did not fully understand what that lesson was before last week, there is no excuse now for saying that they do not understand it. The United Steelworkers of America that represent the surviving miners from Westray have been here on the Hill for the last eight days to make sure that there is no person in this Chamber, no one representing workers anywhere in the 301 ridings in the country who does not understand what it meant for coal mining to take place under the auspices of a private company and where there was no assurance whatsoever of there being a union. That is the other part of it, the health and safety laws of this country mean nothing in the context of a union free mine setting. I have to say in conclusion that the backdrop for this is very alarming, as is the failure of the government to learn the lessons of history.

*Government Orders*

• (2100)

Another part of the backdrop that I think is highly relevant is the general assembly meetings of the OAS that are taking place in Canada, for the first time since Canada joined the OAS 10 years ago.

We have the spectacle happening right now before our eyes. It is not something that people are talking about as a possible future development but of coal being imported from Colombia, one of the worst countries in the world in terms of labour standards, environmental standards, health and safety, and human rights. That coal will be imported from Colombia to be burned in Nova Scotia because the government has pulled the plug on Devco mining.

We have a government that has no interest in either the current lives and the future of coal miners in that community and the broader impact, or in a serious commitment to ensure the continuation of coal mining in Cape Breton. In view of the developments that are about to unfold and in view of what is already happening as a result of the government basically pulling the plug on coal mining in Cape Breton, it is amazing that we have had almost no participation of government members in the debate around such important issues.

This is a very sad day, not just for the miners in Cape Breton who in many cases have given their health or sacrificed their lives to provide coal that has been so important to the economy of the country. It is also a sad day to think that the government could turn its back on the regional economy. This country is made up of regional economies. I think it is fair to say that this is a lesson that will not be missed by the people of Nova Scotia or others across the country who care a great deal more for their communities and the regional economies.

**Mr. Bill Blaikie:** Madam Speaker, I rise on a point of order. The government earlier moved to extend hours because it wanted to have as much debate as possible. I wonder if the House would give its unanimous consent so that the hon. member for Halifax could continue her remarks. I am sure she has more to say on the subject.

**The Acting Speaker (Ms. Thibeault):** Is there unanimous consent for the hon. member to continue?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**Mr. Brent St. Denis (Parliamentary Secretary to Minister of Natural Resources, Lib.):** Madam Speaker, I will resist the temptation to respond to each and every of the many, shall I be generous, questionable points raised by my hon. friends across the

way, except maybe to point out a particularly important point that much was made of, the reference to the very tragic incident at Westray. I want to underline it was the unions that insisted the new owner be subject to the Canada Labour Code and I want to emphasize that the government responded accordingly.

Just very briefly on Motions Nos. 13 and 14, we do not want to tie the hands of the new owner in terms of managing the operation profitably for the benefit of Cape Breton and the whole country. As well, I again underline that the Canada Labour Code will apply.

On Motion No. 15, the Enterprise Cape Breton Corporation was created for the very purpose of economic development in Cape Breton and that function by Devco was transferred to ECBC many years ago.

With that, I would conclude by saying that the government will not be supporting any of these amendments and I thank those who participated.

**The Acting Speaker (Ms. Thibeault):** Is the House ready for the question?

**Some hon. members:** Question.

• (2105)

**The Acting Speaker (Ms. Thibeault):** The question is on Motion No. 13. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Ms. Thibeault):** All those in favour of the motion 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):** The recorded division on Motion No. 13 stands deferred.

The next question is on Motion No. 14. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

*Government Orders*

**The Acting Speaker (Ms. Thibeault):** All those in favour of the motion 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 yeas have it.

*And more than five members having risen:*

**The Acting Speaker (Ms. Thibeault):** The recorded division on Motion No. 14 stands deferred.

The House will now proceed to the taking of the deferred recorded divisions at report stage of the bill. Call in the members.

[*Translation*]

*And the division bells having rung:*

**The Acting Speaker (Ms. Thibeault):** The recorded division stands deferred until tomorrow, at the end of the period allotted for consideration of Government Orders.

It being 9.10 p.m., the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 9.08 p.m.)

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# CONTENTS

Monday, June 5, 2000

## Points of Order

### Private Members' Business

Mr. Strahl .....	7425
Mr. Boudria .....	7425
The Speaker .....	7425

## GOVERNMENT ORDERS

### Budget Implementation Act, 2000

Bill C-32. Third reading .....	7426
Mr. Boudria .....	7426
Mr. Cullen .....	7426
Mr. Solberg .....	7428
Mr. Nystrom .....	7432
Mr. Solberg .....	7432
Mr. Guimond .....	7433
Mr. Guimond .....	7434
Mr. Nystrom .....	7438
Mr. Anders .....	7439
Mr. Nystrom .....	7440
Mr. Stoffer .....	7440
Mr. Nystrom .....	7440
Mrs. Dockrill .....	7440
Mr. Anders .....	7441
Mrs. Dockrill .....	7442
Mr. Stoffer .....	7442
Mrs. Dockrill .....	7442
Mr. Brison .....	7442
Mr. Anders .....	7445
Mr. Brison .....	7445
Mr. Stoffer .....	7445
Mr. Brison .....	7446
Mr. Lowther .....	7446
Mr. Brison .....	7446
Mr. Anders .....	7446

## STATEMENTS BY MEMBERS

### Education

Ms. Leung .....	7448
-----------------	------

### Sri Lankans

Mr. White (North Vancouver) .....	7448
-----------------------------------	------

### National Cancer Survivors Day

Ms. Sgro .....	7448
----------------	------

### The Environment

Mrs. Redman .....	7449
-------------------	------

### National Infrastructure Program

Mr. Adams .....	7449
-----------------	------

### National Cancer Survivors Day

Mr. Mills (Red Deer) .....	7449
----------------------------	------

### Lebanon

Mr. Assad .....	7449
-----------------	------

### Gasoline Pricing

Mr. St-Julien .....	7450
---------------------	------

### Fight Against Poverty

Mr. Bigras .....	7450
------------------	------

### Taxation

Mr. Solberg .....	7450
-------------------	------

### Ron Lenyk

Mr. Mahoney .....	7450
-------------------	------

### Trade

Mr. Blaikie .....	7450
-------------------	------

### Enrico and Joseph Mancinelli

Ms. Phinney .....	7451
-------------------	------

### Immigration

Mr. Price .....	7451
-----------------	------

### Persons with Disabilities

Mr. Scott (Fredericton) .....	7451
-------------------------------	------

### Grain Transportation

Mr. Casson .....	7451
------------------	------

### Canadian Broadcasting Corporation

Mr. Doyle .....	7452
-----------------	------

### Environment Week

Mr. Guimond .....	7452
-------------------	------

## ORAL QUESTION PERIOD

### Human Resources Development

Miss Grey .....	7452
Mrs. Stewart (Brant) .....	7452
Miss Grey .....	7452
Mrs. Stewart (Brant) .....	7453
Miss Grey .....	7453
Mrs. Stewart (Brant) .....	7453
Mrs. Ablonczy .....	7453
Mrs. Stewart (Brant) .....	7453
Mrs. Ablonczy .....	7453
Mrs. Stewart (Brant) .....	7453
Mr. Duceppe .....	7453
Mrs. Stewart (Brant) .....	7453
Mr. Duceppe .....	7453
Mrs. Stewart (Brant) .....	7454
Mr. Gauthier .....	7454
Mrs. Stewart (Brant) .....	7454
Mr. Gauthier .....	7454
Mrs. Stewart (Brant) .....	7454

### Human Rights

Ms. McDonough .....	7454
Mr. Collenette .....	7454
Ms. McDonough .....	7455
Mr. Paradis .....	7455

### Human Resources Development

Mr. MacKay .....	7455
Mrs. Stewart (Brant) .....	7455
Mr. MacKay .....	7455
Mr. MacKay .....	7455
Mrs. Stewart (Brant) .....	7455
Mr. Strahl .....	7455



<b>Gasoline Pricing</b>	
Mr. St-Julien .....	7463
<b>Sexual Assault</b>	
Mr. Cadman .....	7464
<b>Child Pornography</b>	
Mr. Doyle .....	7464
<b>Immigration</b>	
Mr. Lunn .....	7464
<b>Highways</b>	
Mr. Lunn .....	7464
<b>Taxation</b>	
Mr. Kenney .....	7464
<b>Questions on the Order Paper</b>	
Mr. Lee .....	7464

## GOVERNMENT ORDERS

<b>Budget Implementation Act, 2000</b>	
Bill C-32. Third reading .....	7465
Mr. Anders .....	7465
Mr. Schmidt .....	7465
Mr. Anders .....	7466
Mr. Hearn .....	7466
Mr. Stoffer .....	7469
Mr. Hearn .....	7469
Mr. de Savoye .....	7469
Mr. Hearn .....	7470
Mr. Lunn .....	7470
Mr. Stoffer .....	7472
Mr. Lunn .....	7472
Mr. Shepherd .....	7473
Mr. Lunn .....	7473
Mr. Lowther .....	7473
Mr. Lunn .....	7474
Division deferred .....	7474
<b>Cape Breton Development Corporation Divestiture Authorization and Dissolution Act</b>	
Bill C-11. Report stage .....	7474
Mr. Mancini .....	7474
Mr. Mancini .....	7475
Mr. Martin (Winnipeg Centre) .....	7475
Mr. Martin (Winnipeg Centre) .....	7477
Mr. Mancini .....	7477
Mrs. Dockrill .....	7477
Mr. Stoffer .....	7479
Mr. Mancini .....	7479
Mr. Stoffer .....	7479
Ms. Lill .....	7481
Mr. Laliberte .....	7481

Mr. Knutson .....	7483
Motion .....	7483
Mr. Mancini .....	7483
Mr. Speller .....	7483
(Motion agreed to) .....	7483
Mr. Brison .....	7483
Mrs. Dockrill .....	7484
Mr. Brison .....	7484
Mr. Gruending .....	7484
Mr. St. Denis .....	7486
Ms. Desjarlais .....	7486
Mrs. Dockrill .....	7487
Ms. Desjarlais .....	7487
Mr. Godin (Acadie—Bathurst) .....	7488
Mr. Proctor .....	7489
Ms. Wasylycia-Leis .....	7491
Mr. Mancini .....	7492
Division on Motion No. 6 deferred .....	7492
Division on Motion No. 7 deferred .....	7493
Division on Motion No. 8 deferred .....	7493
Division on Motion No. 16 deferred .....	7493
Mrs. Dockrill .....	7493
Motions Nos. 13 and 14 .....	7493
Mr. Mancini .....	7493
Motion No. 15 .....	7493
Mr. Mancini .....	7494
Mrs. Dockrill .....	7495
Mr. Stoffer .....	7495
Mrs. Dockrill .....	7497
Mr. Blaikie .....	7498
Mr. Sekora .....	7498
Mr. Blaikie .....	7498
Mr. Godin (Acadie—Bathurst) .....	7499
Mr. Mancini .....	7500
Ms. Lill .....	7501
Mr. Gruending .....	7501
Ms. Wasylycia-Leis .....	7503
Mr. Martin (Winnipeg Centre) .....	7505
Ms. Desjarlais .....	7506
Ms. Desjarlais .....	7507
Mr. Mancini .....	7508
Mr. Proctor .....	7508
Mr. Proctor .....	7509
Mr. Laliberte .....	7509
Ms. McDonough .....	7510
Mr. Blaikie .....	7512
Mr. St. Denis .....	7512
Division on Motion No. 13 deferred .....	7512
Division on Motion No. 14 deferred .....	7513
Division on motion deferred .....	7513

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