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OFFICIAL REPORT
(HANSARD)

Wednesday, February 5, 1997

Speaker: The Honourable Gilbert Parent

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CORRIGENDUM

In the Monday, February 3, 1997 issue of *Hansard*, the following corrections should be made to the Statement pursuant to S. O. 31 made by the hon. member for Parkdale—High Park appearing on page 7570:

Correct the spelling of "UNICEF/Kawanis" to read "UNICEF/Kiwanis" in the heading and in the first paragraph, line 4.

In line 3 of paragraph 3, "in order combat" should read "in order to combat".

HOUSE OF COMMONS

Wednesday, February 5, 1997

The House met at 2 p.m.

Prayers

The Speaker: As is our practice on Wednesdays, we will now sing O Canada, and we will be led by the hon. member for Bruce—Grey.

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

STATEMENTS BY MEMBERS

[*English*]

HMCS *ATHABASKAN*

Ms. Mary Clancy (Halifax, Lib.): Mr. Speaker, it is an honour to rise in the House today to thank the captain and crew of the HMCS *Athabaskan* for their warm welcome during my two day stay on board this week.

The HMCS *Athabaskan*, captained by Commander Denis Rouleau, is a 5,120 tonne Iroquois class destroyer which serves as the Atlantic task group command ship. It has an array of anti-missile defences, including state of the art SM-2 stand missiles. It can carry two Sea King helicopters, is a completely bilingual unit and can carry a crew of up to 280 souls.

The level of excellence, the level of professionalism, the level of general quality which emanates from the captain and crew is worthy of great pride and respect by all Canadians.

It is with great appreciation and pride that, if I were wearing one, I would take off my hat to HMCS *Athabaskan* today for a job well done.

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[*Translation*]

ACCESS TO INFORMATION

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, the Liberal government promised to be transparent; now it is hiding even the most insignificant information.

Last week, the Bloc Quebecois tried to find out from Heritage Canada the cost of operation *Take It to Heart*, an initiative to highlight Canadian citizenship.

At the minister's office, we were told this information could only be obtained under the Access to Information Act. Obtaining information from Heritage Canada has never been easy, and the lengthy response times testify to that.

What does the government have to hide that it will not provide basic information that should be available through a simple telephone call?

If the government sees fit to hide this kind of information, it is no wonder that it does so for more serious and complex issues, such as Somalia, Airbus and Pearson Airport.

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[*English*]

FAMILY VIOLENCE

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, most Canadians believe it is not possible to commit murder and get away with it. Unfortunately, this is not the case.

Susan Klassen was killed by her estranged husband. She was killed by strangulation. Her killer choked her so hard that he bruised both thumbs and then used a pillow case to finish the job.

Susan Klassen's killer will be eligible for full parole in less than two years. How is it that our society values Susan Klassen's life so little that her killer is released in just two years?

Susan Klassen was betrayed by the very justice system pledged to protect her. Her killer was able to claim provocation and the charge was reduced to manslaughter. How could cold blooded murder by strangulation possibly be considered manslaughter?

Did Susan Klassen deserve to die because her husband's feelings were hurt?

Legislators have a responsibility to Susan Klassen and to her family to ensure such a travesty will never happen again. Parliament must send a signal to the judiciary. Canadians have zero tolerance for family violence.

S. O. 31

CRIMINAL CODE

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, a year and a half ago the Yukon community was saddened by the death of Susan Klassen who was strangled and killed by her husband. He was found not guilty of murder and was sentenced for the lesser crime of manslaughter and could be eligible for day parole in a year.

In a matter of days, 900 people in the Yukon signed petitions demanding an appeal of the case. Another 300 gathered for a protest march in minus 40 degree weather. I understand there were 1,200 letters sent from Edmonton where Ms. Klassen's family resides and many other requests for action have been received.

The community outrage at the sentence resulted in an unprecedented mobilization for two demands. The first asks the Minister of Justice to obtain a second legal opinion to ascertain whether there are grounds for an appeal. The second calls for changes to the Criminal Code to amend the statutory defence of provocation.

I ask the minister to seriously review these requests and respond to them publicly.

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HEALTH CARE

Mr. Maurizio Bevilacqua (York North, Lib.): Mr. Speaker, the people of Canada elected a Liberal government to protect our much valued health care system. It is for this reason our government convened the National Forum on Health to propose solutions to the challenges that our health care system will face in the 21st century.

I would like to report to the House that the residents of York North played an active role in the national forum's work. We held a town hall forum on health and a number of meetings to develop solid suggestions to respond to the strains of rising health care costs and an aging population within our fiscal framework.

Our conclusions were clear and straightforward. In order for Canadians to take greater responsibility for their health, they need better access to accurate information. Furthermore, participants called upon the federal government to preserve and enhance the publicly funded elements of our universal health care network and uphold the principles of the Canada Health Act. I am pleased to tell the House that these suggestions are reflected in the forum's final report ''Building on the Legacy''.

The residents of York North are firm believers of the public consultation process. They have seen historically their suggestions become government policy.

CANADIAN CITIZENSHIP

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, in the aftermath of the second world war a Canadian cabinet minister visited the graves of Canadian soldiers who perished at the battle of Dieppe. Paul Martin Sr. decided then and there that Canadians fully deserved their own unique citizenship.

Today we celebrate the foresight of the father of our Minister of Finance for he was the political father of the Canadian Citizenship Act.

Many new Canadians and members of Parliament, such as myself, were born in other countries and have become citizens of this great country. Canadian citizenship is a sought after prize among people born in other countries where civil rights are limited or non-existent. It formally guarantees freedom of religion, expression and lawful assembly, and freedom from discrimination on the basis of gender, ethnic origin or disability.

● (1405)

It is an honour to rise in this House today to commemorate the 50th anniversary of the Canadian Citizenship Act.

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MICROCREDIT

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, yesterday in Washington, D.C. a three-day world microcredit summit came to a close. Three thousand delegates from around the world took part in this historic event. Through promotion of microcredit policies, organizers hope to reach 100 million of the world's poorest families, especially the women of those families, with credit for self-employment.

I had the opportunity to attend this summit as a member of the Council of Parliamentarians. I firmly believe that microcredit can be used as a powerful tool in the struggle to end poverty and economic dependency both in underdeveloped and industrialized countries.

I want to congratulate the efforts of Results Canada and particularly the members of Results Canada in my riding of Annapolis Valley—Hants for their work in promoting microcredit lending. I want to call upon our government to promote the microcredit concept as an important means of eliminating poverty and creating opportunities for a sustainable future.

[*Translation*]

U.S. REPORT ON HUMAN RIGHTS

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, in a report on human rights recently released by the U.S. State Department, Quebec received high marks for respecting the rights of its minorities.

According to Washington, since the 1995 referendum, the Quebec government has clearly been striving to curb political tensions while reaffirming the important role played by the anglophone minority in Quebec society. Such statements sound infinitely more realistic and reasonable than the wild imaginings conveyed by federalist spokespersons these past few months.

Let us hope that, for once, our colleagues opposite will be able to set their fear-driven politicking aside and read this major U.S. report carefully. They will probably realize that their hysteria of the past few months has doing nothing to further the debate and has simply clouded their vision. Perhaps if they came to their senses, we could finally have constructive talks and eventually establish a new partnership between our two peoples.

* * *

[*English*]

PATRONAGE

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, Bob Fowler and his family go way back with the Prime Minister and the Liberal Party. It all started in the seventies when young Fowler was a protégé of the Prime Minister's friends, Mitchell Sharp and Pierre Trudeau. During this time he got to know the little guy from Shawinigan. He has known him ever since.

Moreover, Bob Fowler's sister married another good friend and patronage appointee of the Prime Minister, Roméo LeBlanc, the Governor General of Canada. Let us not forget Mr. Fowler's wife who was a senior bureaucrat in the office of another friend of the PM, André Ouellet, who was the Minister of Foreign Affairs until he also got his Liberal patronage plum as head of the post office.

Then it was Fowler's turn. Just when the Somalia affair threatened to engulf him, whoosh, he was swept off to become ambassador of the UN thanks to the Prime Minister's patronage.

I do not think the Prime Minister is fooling anyone. He protected his friend from the Somalia affair and on that the record it is very clear.

[*Translation*]

BELL MEDIASPHERE

Mrs. Eleni Bakopanos (Saint-Denis, Lib.): Mr. Speaker, I wish to draw the attention of the members of this House to some good news for the Montreal region. On January 21, the Multimédia CESAM consortium, of which the Government of Canada has been a partner since the very beginning, announced the creation of the Bell Mediasphere, in Montreal.

[*English*]

Canada occupies an important place in the multimedia market which is an area of tremendous growth. This project will reaffirm Montreal's position as a leader in this area.

[*Translation*]

This is one of many examples of successful partnership between our government and the private sector to promote economic growth in Montreal and in Canada.

* * *

SMALL BUSINESS

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, I want to take this opportunity to mention another strategic initiative on the part of our government.

On January 31, the Minister responsible for the Federal Office of Regional Development—Quebec announced in Montreal that five partnership agreements had been reached with five different financial institutions.

These agreements will result in the setting up of loan programs to provide better access to financing for small and medium size businesses in the new economy, which are the ones that best reflect the future of our country. A total of $150 million will be made available to Quebec's technology based businesses.

• (1410)

Our government just fulfilled another commitment made to entrepreneurs in this country, namely to provide them with better means to ensure their own growth and to create long term jobs for all Canadians.

* * *

[*English*]

HEALTH CARE

Hon. Sheila Finestone (Mount Royal, Lib.): Mr. Speaker, Premier Bouchard has reneged on his solemn promise that language would not become a health issue.

Quebec law directs regional health boards to review access plans to health and social services across the province. Qualified French

and English experts determine health services that are required to adequately serve all Quebecers. There is no legal or moral reason to refer this matter to the Office de la langue française, for language is a diagnostic and therapeutic tool.

This is pure political harassment that has sparked a new wave of protest and deep concern within the English speaking community, justified concern. The level of distrust has rightly reached new heights.

Premier Bouchard, when you ask for trust, your actions belie your words. The paramount issue here is not the language of work but the right to the language of treatment.

* * *

[*Translation*]

CORRECTIONAL SERVICES

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, in his last report, the auditor general pointed out that Correctional Services is not achieving its objective of ensuring the satisfactory reintegration throughout the country of offenders who pose a threat to the long term safety of the public.

In this same document, we learn that there are no caseload standards for case management officers, the people who must give an opinion to parole board commissioners on whether or not to release an offender, leaving the auditor general to conclude that ''initial training for case management officers is inadequate''.

For three years now, the Bloc Quebecois has been calling for an overhaul of Correctional Services. How can the Liberal government claim to be looking after public safety, when it is giving more attention to punishing offenders than to finding solutions?

* * *

[*English*]

CHILD MAINTENANCE ENFORCEMENT

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, Canadians across the country have been voicing increasing concern about the proposed changes relating to child maintenance enforcement.

The changes make non-custodial parents, usually men, solely responsible for supporting children of divorce. The amounts these parents will be forced to pay will rise steeply and will have to be paid out of after tax dollars regardless of the financial resources of the custodial parent.

The bill is absolutely silent on the equally important issue of the right of non-custodial parents to have access to their children, access that is critical to the emotional stability and well-being of Canadian children of divorce.

This bill has been strongly criticized as rigid, unfair, scapegoating men, increasing stress on families and not in the best interests of children.

On behalf of the tremendous number of people who are speaking out against these proposed maintenance enforcement provisions, I urge this government to listen to their concerns and make important changes to Bill C-41.

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TAXATION

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, a recent survey conducted in my riding showed that the people of York—Simcoe overwhelmingly reject the Reform and Tory policy of inequitable tax cuts.

The people of York—Simcoe and the people of Canada want fairness and balance in government. Canadians know that we must get our fiscal house in order but they also are committed to reducing the social and ecological deficit in this country.

* * *

[*Translation*]

TEAM CANADA

Mr. Patrick Gagnon (Bonaventure—Îles-de-la-Madeleine, Lib.): Mr. Speaker, we have not heard the last of the positive fallout from Team Canada's most recent tour of Asia.

Today, I am pleased to inform you that a Quebec City institution has returned from the Team Canada tour with an interesting contract signed in Thailand.

The Collège technique Aviron de Québec, which employs 25 teachers, offers college level courses in computer repair, electronics and computer assisted design. The college signed a contract with a company in Bangkok to set up a technical college in Thailand. This contract will generate estimated revenues of $1.5 million in the coming years.

I am certain that Quebec members on both sides of this House will applaud the exceptional work of Team Canada, which has been instrumental in opening up new markets for Quebec businesses emphasizing exports and, of course, Canadian know-how.

ORAL QUESTION PERIOD

● (1415)

[*Translation*]

PERSONAL INCOME TAX

Mr. Michel Gauthier (Leader of the Opposition, BQ): Mr. Speaker, I shall be very brief. Today, the Bloc Quebecois released its analysis of the federal personal income tax system. There has been no real examination of the Canadian tax system for over 30 years. It would, however, be easy for the Minister of Finance to increase the equity of the Canadian tax system and to recover cash

from numerous tax shelters which are costing us dearly at a time when no one is having an easy time of it.

At a time when the government is squeezing the unemployed, cutting transfer payments, hunting for money everywhere, how can the Minister of Finance provide us with any serious explanation for the fact that, in three and a half years, he has not found a way to systematically assess personal tax expenditures in Canada, particularly those of rich taxpayers.

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the Leader of the Opposition will understand that I have only just learned of his report and am therefore not in a position to comment on it. The hon. member must be aware that, since coming into power, we have studied the taxation system in depth. Moreover, as he knows, our study will be ongoing, since the taxation system is constantly evolving.

I have before me a list, which I could read out, at least three pages long, of tax shelters we have done away with in order to make the taxation system more equitable.

Mr. Michel Gauthier (Leader of the Opposition, BQ): Mr. Speaker, is the Minister of Finance for Canada not concerned by the fact that, with the services of a tax specialist with any skill at all, many rich taxpayers in Canada manage to avoid paying a red cent? Is he not troubled by this, as Minister of Finance, if he has any concern for equity whatsoever?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the hon. member must realize that the federal taxation system bears a great resemblance to the provincial tax systems, including that of the province of Quebec. I would be greatly interested to learn how my counterpart, Mr. Landry, reacted to the previous Bloc Quebecois report. I saw no public comments.

As for myself, I can state that it was the federal government which abolished the lifetime $100,000 capital gains exemption. It was the federal government which broadened the minimum replacement tax base. It was the federal government which did away with the tax advantages offered by the use of trusts. I could go on and list many more. We have made a good deal of progress in three years.

Mr. Michel Gauthier (Leader of the Opposition, BQ): Mr. Speaker, the Minister of Finance is offering me a great opportunity here. He knows very well that, as long as Quebec is not a sovereign country, the Quebec Minister of Finance, like those in the other provinces, is required to harmonize his taxation system with what the federal minister decides on. When Quebec is sovereign, things will no longer be the same. For the moment, we are stuck with him. I profoundly regret bringing partisan politics into this, as I did not intend to, but I have to remind him of an unfortunate reality.

From 1984 to 1993, 1,500 Canadians earning in excess of $100,000 paid not a red cent in tax. In 1993, the Conservatives' last year, there were 2,230 Canadians earning in excess of $100,000 who paid not a red cent in taxes, and in 1994, the last year for which there are statistics—and this is my question for the Minister of Finance—what is his reaction to the fact that 4,260 Canadians paid not a red cent in taxes on earnings of over $100,000?

Does the Minister of Finance not consider that this would be worthy of his attention, and ought to have received it a long time ago?

• (1420)

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the hon. member knows full well that the main reason certain rich individuals paid no income tax is the existence of that $100,000 capital gains exemption. That is the loophole we closed when we came into power.

Secondly, the hon. member refers to the situation of Quebec and the federal government. Representatives of the Quebec commission on taxation and the funding of public services have stated the following: ''Overall, there is little difference between taxable income for federal income tax purposes and for Quebec income tax purposes''. They went on to say: ''Since March, we on the commission have learned that there is no hidden tax treasure we can unearth anywhere in Quebec''. The same holds true for Canada.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, first of all, I would like to say to the Minister of Finance that although there may be no hidden treasure, there certainly is a small part of the Canadian population that has its hand in the till.

For three and a half years we have been asking the Minister of Finance to cut down on all these corporate tax loopholes. But the Minister of Finance keeps repeating the same old story: We are engaged in a process in the course of which we have improved the situation. For two years he has waved those three pages containing a list of the loopholes he closed. I would ask the Minister of Finance to table those pages for the benefit of the House. Let him table them. We would like to see them.

Second, as far as the tax system—

The Speaker: I know the question is on its way. The member will please get to the question.

Mr. Loubier: I was getting to my question. He did nothing for individual taxpayers either.

Here is my first question for the Minister of Finance. Would the minister agree that by making sweeping changes in the corporate tax system, as the Bloc suggested last November, he could collect as much as $3 billion which he could use to create thousands of jobs?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, if the hon. member wants me to, I would be delighted to table the list of all the loopholes we put in place. It is too bad we have to table them for the hon. member to see what they are. Since we did this for every budget, I would have thought the hon. member, being the

opposition finance critic, would know about these loopholes. In any case, we will table them.

Meanwhile, I would like to congratulate the hon. member on the start of his campaign for Mr. Duhaime.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): I want to thank the Minister of Finance for the publicity he gave my candidate for the leadership. He is a great man for the job.

The Minister of Finance actually said, actually referred to the tax loopholes he put in place. Just imagine. He produced these tax loopholes and that is the problem: he did nothing about it. In three months and a half, with a small team, the Bloc Quebecois did what he failed to do in three and a half years. That is a fact.

I have a second question. Regarding the changes in personal income tax, is the Minister of Finance prepared to give serious thought to a proposal by the Bloc Quebecois for creating a kind of employment RRSP to help people who are unemployed?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, first I would like to correct a mistake. Obviously, we closed the tax loopholes on this three-page list, and we intend to table those pages.

Meanwhile, we have introduced many measures to help people save. For instance, I was told, since I did not have a chance to read it, that in its report the Bloc Quebecois mentioned ways of helping students. The hon. member should know that we are well ahead of the Bloc Quebecois in this respect.

• (1425)

For instance, in our last budgets we increased the education credit from $80 to $100 per month; we raised the limit on the transfer of tuition fees to those who are paying for a student's education from $4,000 to $5,000 per student; we raised the annual limits on contributions to registered education savings plans from $1,500 to $2,000 and the lifetime limit from $31,500 to $42,000. And I could go on.

* * *

[*English*]

ETHICAL GUIDELINES

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, when the Liberals came to power in 1993, the Prime Minister made a commitment to high ethical standards that would guarantee the integrity of his government.

On November 6, 1996 he said: ''I have guidelines for ministerial conduct which have been transmitted to the ministers. They have read them and they follow them''.

We are wondering what kind of ethical guidelines would allow denial of the broken GST promise, political interference in the Somalia inquiry, the use of the justice department for a political witch hunt and the stonewalling of the inquiry into tainted blood.

Do any of these activities violate the Prime Minister's ethical standards, or by his standards are all these activities ethically acceptable?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we formed a government three years and two months ago. The ministers have shown that the government is a government that is very ethical and respects all the norms. No ministers were involved in any scandals of any nature.

In political debate we may have differences, but to tackle this very negative approach by the Reform Party, as it was published Monday morning in the Toronto *Star*, that it will be only negative, is a big contrast with the promise he made when he became the leader that he was to have the highest standards in this House.

I know they want to do everything, even have the people in the gallery to protest, people ready to go in the scrum and say they are journalists.

On top of that, I learned this morning that to succeed in that, the leader of the third party is trying to become an actor. He has hired somebody to train him how to look mad when he is not mad.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, in 1991 the Prime Minister did proclaim one of his ethical guidelines. He promised that every minister in his cabinet would assume full responsibility for any bungling in their departments.

How is letting the defence minister gag the Somalia inquiry assuming full responsibility? How is letting the justice minister go on a political witch hunt with the justice department assuming full responsibility? How is the Prime Minister's promising to scrap the GST and denying the promise was made assuming full responsibility for the commitment?

When the Prime Minister promised to hold his ministers responsible for any bungling, did he mean what he said or was this just another empty promise like killing the GST?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is not a witch hunt. The leader of the third party has been taking lessons from someone so he could act in the House of Commons.

The Minister of National Defence has given until the month of June to finish the inquiry. There were three extensions before. The minister of defence has explained very well the reason why. What is very surprising is that he is just responding to the request of the leader of the third party, urging us to terminate it quickly so that

there will be no inquiry during an election. We are doing exactly what he is asking.

Why would the man who is talking about integrity say that in October and today say exactly the contrary to what he said at that time?

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, we want truth before the election.

The Prime Minister's vague and confusing answers on ethical questions lead many of us to believe that there are no ethical guidelines.

• (1430)

Time and time again we have asked the Prime Minister to table those guidelines in the House and he has not done so. Perhaps, like his homeless friends, they are imaginary or maybe they got caught in the shredder somewhere. When he and Mr. Mitchell went up on the mountain perhaps they forgot to bring down one of the tablets, the one about accountability, integrity and responsibility.

How can Canadians trust the Prime Minister to enforce ethical standards for his government when the Prime Minister will not let the public see those ethical guidelines?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, speaking about integrity, what about the Reform Party's question period strategy which I read about in yesterday's *Toronto Star*, asking negative and accusatory questions, coaching Reform sympathizers to take part in media scrum, causing disturbance in public galleries, disrupting royal assent in other places. What happened to the Reform Party pledge to do politics differently?

I have never seen a party use and abuse an institution to try to move up in the polls. This is something I know will not succeed.

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[*Translation*]

SPONSORSHIP OF SPORTING AND CULTURAL EVENTS

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

Earlier this week, the Minister of Health intimated that he is currently considering changing his policy on the sponsorship of events by the tobacco industry. It would appear that pressure from all those involved and the members of the Bloc Quebecois finally succeeded in waking up the minister and making him aware of the legitimate concerns of the organizers of sporting and cultural events.

Could the minister confirm that he is seriously considering the possibility of changing the measures that apply to the sponsorship of cultural and sporting events and could he provide more details on the solutions currently being examined?

[*English*]

Hon. David Dingwall (Minister of Health, Lib.): Mr. Speaker, the hon. member should not speculate about speculation.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I would have liked a fuller response given that, if the minister were to read the papers, he would see that these are his own statements.

Could the minister confirm that he is currently examining the possibility of changing the measures that apply to the sponsorship of cultural and sporting events and of making an announcement before the election?

[*English*]

Hon. David Dingwall (Minister of Health, Lib.): Mr. Speaker, the hon. member will know that 40,000 Canadians die each and every year. Bill C-71 was for the purpose of health, enhancing the health of young people in particular.

I said on the record for members to view that last week we received a number of representations and various technical amendments from a variety of different groups which we are examining at the present time. When I complete my examination I will move forward.

* * *

SOMALIA INQUIRY

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, this government has spent the last three years protecting and promoting the highest ranked players in the Somalia fiasco.

General Jean Boyle was bumped up to chief of defence staff. Admiral John Anderson was shuffled off to NATO headquarters. Commander Serge Labbe was also shipped off to NATO. The Prime Minister's long time friend Bob Fowler was sent to safety at the United Nations. These people must be held accountable.

When are we ever going to hear their story about what really happened in Somalia?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, that is a question the minister of defence has answered many times. There is an inquiry and the inquiry can call any witness it wants. It still has two months to do that. There is nothing I can do. We are not calling the shots. There is a commission to decide and it can call anybody it wants.

As far as personal friends, I never knew many of them before. I had never met these people before they were in these jobs. They were all appointed by the Conservative government.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, talk about a flip-flop. First the Prime Minister said last fall that it is fine and the commission can have all the time it needs. Now he says that it is good enough and it will just be shut down. This government and this defence minister have castrated the commission. It is as simple as that. They have cut it off. They have not allowed it to do its work. This Prime Minister knows full well that it is not able to get to the post-deployment phase, which it thought it was going to have time to do.

● (1435)

We need to hear from witnesses like Major Buonamici and Barry Armstrong, whose allegations first initiated the whole Somalia inquiry.

The Minister of National Defence says that Canadians do not really want a historical document. I think he is quite right, but what they do want is the truth.

Why cannot Barry Armstrong be allowed to testify and Bob Fowler be forced to testify?

Hon. Douglas Young (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the obvious answer to the hon. member's question is that it is totally within the purview of the commissioners to ask whomever they wish to come. I am sure that the people to whom the hon. member has referred are more than available to come before the commission if, in the wisdom of the commissioners, they feel these are the appropriate witnesses to hear.

The hon. member knows, because she talks about flip-flops, that in this very place, Mr. Speaker—and I say this to you because I am sure you would have been here—on September 17 the hon. leader of the Reform Party said, from page 4308 of the Commons *Debates*:

> Mr. Speaker, to ensure that there is no ultimate cover-up in the Somalia inquiry, will the Prime Minister guarantee to this House that the results of the inquiry will be made fully public before the next federal election?

We are trying.

* * *

[*Translation*]

CULTURE

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, ignoring Canada's historical positions on culture and ignoring his own party's promise in the red book assuring Canadians that the Liberals would defend culture, the Minister for International Trade last week called into question all of Canada's cultural protection measures over the years. In the meantime, however, the Minister of Canadian Heritage said that the cultural exemption was a vital part of international trade agreements.

My question is for the Prime Minister. With the remarks of his Minister for International Trade, it is a grave moment for Quebec's and Canada's cultural sovereignty, and the Prime Minister cannot remain silent. He must respond. Which of his two ministers represents his government's position? The one he made responsible for culture or the one ready to fritter culture away.

[*English*]

Hon. Arthur C. Eggleton (Minister for International Trade, Lib.): Mr. Speaker, there has been no change in government policy. Certainly the government wants to continue to promote Canadian culture both in the domestic sense and on the international stage. In fact, over the last few years Canada's exports in terms of its cultural sector have grown enormously. It is now a $3 billion industry.

Times have changed, and so I have raised some questions with respect to how we go about continuing in our promotion of culture, particularly in the context of trade and globalization.

Certainly the Minister of Canadian Heritage and I are working together to ensure that the government continues to promote the cultural product of this country, of all parts of this country.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, I would like to find out whether the government is on the same wavelength. I would remind you of the 1994 Tassé report, because all recent commissions agree on the need for cultural protection and funding of cultural development.

The Minister of Canadian Heritage says she will appeal the decision of the World Trade Organization in the matter of *Sports Illustrated*, while her colleague for international trade is saying that no decision has been made in the matter.

Could the Prime Minister tell us who in cabinet is responsible for culture and who in cabinet is defending the government's official position?

Hon. Sheila Copps (Deputy Prime Minister and Minister of Canadian Heritage, Lib.): Mr. Speaker, as far as the decisions of the World Trade Organization are concerned, it is true that there is nothing final yet.

● (1440)

Once a final decision is made, we as the Government of Canada will certainly do our utmost with allies like France and Ireland, allies that fear the Americanization of culture around the world, to fight the globalization of the industry in Hollywood.

* * *

[*English*]

SOMALIA INQUIRY

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, two years ago I asked the Prime Minister to recall Bob Fowler from the UN

because of his involvement in the Somalia affair. He refused because all the allegations would be sorted out by the inquiry. To quote him, as he likes to quote so much from *Hansard*, on March 21, 1995 he said: ''The inquiry will be comprehensive and everything can be discussed at this inquiry''. Unfortunately, the Prime Minister's words have been proven totally untrue.

I want to know if the Prime Minister is going to apologize to Canadians for this latest Liberal broken promise.

Hon. Douglas Young (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, there is absolutely no reason for the hon. member to attempt to prejudge the testimony or what went on at any of the events. That is for to the commissioners to look into.

I find it rather unusual that the hon. member has already decided, for whatever reason, that the person to whom he has referred will not be called before the commission of inquiry. The commission can continue hearings until the end of March.

The hon. member is making known his views as to who he thinks should be called. I have said it is not my intention to comment on the roster of witnesses nor on the testimony given before the inquiry because I do not think it would be appropriate. If the hon. member wishes to continue with his campaign to have certain people heard, he has until the end of March to make sure they are, if the commissioners believe it is in the best interests of getting to the bottom of this affair.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, Canadians are tired of this kind of rhetoric from the minister.

One year ago, following the serious allegations from Kim Campbell, we again asked that Mr. Fowler be recalled to Ottawa. This time the Minister of Foreign Affairs refused with the following excuse on April 16, 1996 in *Hansard*. He states:

> Mr. Fowler will appear under oath before the inquiry to give all the information he knows—

That is another broken Liberal promise, given here in the House. Is the Prime Minister willing to admit that he and his ministers systematically abused the trust of the House and of the Canadian people?

Hon. Douglas Young (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, it is getting easier and easier to respond to the ethics manual produced by the Reform Party in question period. When you get that kind bafflegab in a question, you can actually respond on the basis that the Reformers have told their supporters what they would like to have.

In the guidance given to members before this session Reformers were told that questions should not be used to get straight information. I do not think that means you cannot ask a straight question.

[*Translation*]

AIR CANADA LABOUR DISPUTE

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, my question is for the Minister of Labour.

Air Canada's 900 regional pilots, whose collective agreement expired in May of 1995, have been out on a legal strike since December. The federal mediation and conciliation service made two unsuccessful attempts at bringing the two parties together. This strike has been going on for too long. It is seriously affecting the economy of the regions.

Since labour relations at Air Canada come under the provisions of the Canada Labour Code, will the minister undertake to do everything in his power to bring the parties together and set the stage for serious negotiations, conducted in good faith, on the basis of the December 4 proposal?

Hon. Alfonso Gagliano (Minister of Labour and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I thank my hon. colleague for his question. I welcome this opportunity to give you an update on the situation.

As he rightly pointed out, from the outset the federal mediation and conciliation service provided assistance to the parties to try to achieve a negotiated settlement. Federal mediation and conciliation officials are still working at it as we speak. They are trying to get the parties to at least come back to the bargaining table and look for a solution.

• (1445)

I do hope common sense will prevail and that they will start negotiating again so that this whole issue can be settled as soon as possible and service restored to Canadians.

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I find that answer a bit disconcerting because there are no negotiations going on at the table.

The minister must have been told of Air Canada's management using strikebreakers from the U.S. through AV Atlantic, of Miami, and Reknown Aviation, of Santa Maria.

Does the minister not think he has the duty, as a minister, to condemn such a practice?

Hon. Alfonso Gagliano (Minister of Labour and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the hon. member knows the situation full well. In fact, he sits on the House of Commons human resources development committee and the committe tabled its report before the Christmas

break. I take this opportunity to thank the committee for the outstanding job it has done.

The bill is now before the House, at report stage, and I hope I can count on the co-operation of all hon. members for a speedy passage. The bill contains amendments to the Canada Labour Code that would help both parties remedy certain ongoing situations, which, though regrettable, are nonetheless legal.

* * *

[*English*]

FISHERIES

Mr. Harbance Singh Dhaliwal (Vancouver South, Lib.): Mr. Speaker, my question is for the foreign affairs minister.

Canada signed the Pacific salmon treaty with the United States over a decade ago. This treaty is crucial to B.C.'s coastal communities and to a sustainable Pacific salmon fishery. The Americans have failed to live up to the equity provisions of this treaty.

Could the minister brief the House on the measures that the government will take to resolve this ongoing dispute with our U.S. neighbours on the Pacific salmon treaty?

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, we all know how important the Pacific salmon treaty is for ensuring the proper management of the Pacific stock on the west coast. Unfortunately, the breakdown of discussions several months ago have led to a series of disputes.

I am very pleased to announce today that through discussions with the United States government, we have come to an agreement on the beginning of a new initiative. We are beginning new negotiations that will involve the major stakeholders at the regional level to deal with some of the crucial issues such as equity and conservation.

There is a very strict timetable between ourselves and the Americans. The meetings will begin February 10. We will review progress in the middle of March. This demonstrates what can happen when there is a constructive dialogue between two countries.

* * *

DEPARTMENT OF HEALTH

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, a senior health department bureaucrat, Dr. Jo Hauser, shredded sensitive blood committee documents in 1989.

Would the health minister tell us exactly when he knew of this bureaucrat's identity?

Hon. David Dingwall (Minister of Health, Lib.): Mr. Speaker, in responding to the hon. member's question all I can say is that the information was forwarded to the deputy. Action was commenced by her and recommendations which have come from the information commissioner have been acted upon.

In terms of the specifics, I will have to check my files and get back to the hon. member.

An hon. member: Hopefully they are not shredded.

An hon. member: We will wait it out.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, I have a declassified letter that tells me that the minister clearly knew all about the scandal on December 3, 1996.

It is interesting that Dr. Hauser was then conveniently let go by the department just days before this information was made public by the information commissioner. That information was made public January 23, 1997. That information said that this was done to thwart the public's ability to know.

Instead of punishment and instead of investigation, he ends up with a golden handshake. Why?

Hon. David Dingwall (Minister of Health, Lib.): Mr. Speaker, the House should be aware that the accusations and the implications of the hon. member's questions have to be understood.

The incidents to which the hon. member refers occurred in 1989. The hon. member is trying to imply that somehow someone in this administration did something wrong.

• (1450)

The information commissioner has filed a report. We have accepted all of the recommendations of the information commissioner. Furthermore, we have forwarded a copy of that report to Justice Krever for his adjudication. In addition to that we have forwarded all of the information to Royal Canadian Mounted Police so they can examine it in its entirety.

* * *

[*Translation*]

QUEBEC PHARMACARE PLAN

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, my question is for the Minister of Health.

On January 1, Quebec's new pharmacare plan came into effect. While the Quebec government managed to reach an agreement with the majority of employers and insurers in the province, Treasury Board, which is the employer for federal public servants, refuses to adjust its employees' insurance plan according to Quebec's new pharmacare plan.

Will the minister confirm that his government refuses to adjust the federal public service insurance plan to Quebec's new pharmacare plan?

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the federal insurance policy, which covers at least 30,000 federal public servants in Quebec, offers more than the minimums required by the Quebec legislation for 98 per cent of those insured.

Our policy covers a wider range of drugs. It includes medical items such as glasses, which are not covered under Quebec's health insurance plan. Our deductibles are also lower.

Therefore, given that 98 per cent of our members have a better policy than the one available, we feel justified in keeping it.

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, given that the vast majority of employers and insurers in Quebec have already agreed to adjust to the new provincial pharmacare plan, will the minister admit that Ottawa's refusal to co-operate with the Quebec government does, in any case, adversely affect over 100,000 people, including retired public servants and their family members?

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, it is false to say that keeping our policy unchanged adversely affects 100,000 federal public servants in Quebec because, as I just indicated, 98,000 out of those 100,000 are better protected by our policy than they would be if we made adjustments like those made by private employers in Quebec.

Under the circumstances, there is no doubt that we provide better protection of the rights of Quebecers who are or were public servants, and of their families, by keeping them under the protection provided by our policy.

* * *

[*English*]

AIRBUS

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the justice minister had the opportunity to head off the million dollar Airbus fiasco. He had a choice and he chose not to end it. The result was the waste of millions of taxpayers' dollars.

Why did the justice minister not issue his half-hearted apology over a year ago, as soon as he knew of his department's slanderous mistake?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it is important to remember what the facts of this case are.

This case, in terms of the sending of the letter of request, was processed like any other over the last 11 years since this procedure was put in place by the last government. The letter of request was initiated and drafted by the RCMP and it was sent after being signed by an official of the justice department to the Swiss government.

After it came to my notice, after the complaint was made about it, a second letter was sent to Switzerland underlining and emphasizing the fact that the statements made in the first letter were allegations only. That was done and it was clearly stated.

Since then various steps have been taken to change the system. I am the first to concede it had shortcomings and should have been improved. It has now been improved. We have afforded an independent third party to do an audit of those improvements and let us know whether we have done enough.

That is the approach we have taken to this problem and it reflects ministerial responsibility.

• (1455)

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, it is clear the justice minister bungled this case. He could have stopped this action by withdrawing the letter on which the $50 million lawsuit was based. He chose not to do it.

The million dollar Airbus deal was designed to protect the reputations of the justice minister, the solicitor general and Brian Mulroney. The justice minister apologized to Mr. Mulroney. Is he now prepared to apologize to the Canadian taxpayers for the needless waste of millions of their dollars?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I am the first to acknowledge because I am the minister responsible that the procedure put in place 11 years ago had its shortcomings. It has now been fixed.

The hon. member refers to accountability and responsibility. I want to remind the hon. member that he and his colleagues in the Reform Party are accountable as well. They are required to act responsibly.

Earlier today in question period the leader of the Reform Party in a question to the Prime Minister referred to my use of the justice department for a political witch hunt. I want the hon. member and his leader to know that if they know anything, if they have any allegation against me to justify the assertion that I used the justice department in a political witch hunt then they should put it on the record. They are accountable and if they use that kind of irresponsible language without something to show for it, they will be held responsible when we go to the people.

In vernacular I hope the hon. member will understand, on that account he ought to put up or shut up.

TOBACCO

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, my question is for the Minister of Health. Tobacco lobbyists are telling young people who work in variety stores that they will be fired if Bill C-71 is passed. The Canadian Tobacco Manufacturers' Council is distributing information alleging that anyone under 18 years of age will lose his or her job in a corner store under the new anti-tobacco law.

Can the minister put an end to the tobacco lobby fearmongering and assure young Canadians that this legislation will not take away their jobs?

Hon. David Dingwall (Minister of Health, Lib.): Mr. Speaker, I thank the hon. member for the question. He is quite correct. A lot of misinformation is being put out concerning the contents of Bill C-71. The hon. member knows this information is inaccurate and the claims people are suggesting are absolutely false.

I wish the record to be clarified and I thank the hon. member for the question. Yes, retailers will be able to continue to hire persons under the age of 18 to sell tobacco products.

* * *

EMPLOYMENT

Mr. John Nunziata (York South—Weston, Lib.): Mr. Speaker, my question is for the Deputy Prime Minister. In the last election campaign the Liberal Party promised to create jobs and, in fact, was given a mandate to create jobs. Three years later the unemployment rate is still at 10 per cent and there are over a million and a half Canadians unemployed.

In her heart does the Deputy Prime Minister believe the promise to create jobs has been fulfilled? Can she indicate whether she can feel the pain and anguish of unemployed Canadians not being able to pay rent or to put food on the table? If she does, what does she intend to do—

The Speaker: The Deputy Prime Minister.

● (1500)

Hon. Sheila Copps (Deputy Prime Minister and Minister of Canadian Heritage, Lib.): Mr. Speaker, first of all, it should be clear to the hon. member, who was a part of the government for most of that period, that during the period in question this government created more jobs than England, France, Germany and Italy combined.

It is also true that there are still too many Canadians who cannot find work. As far as I am concerned and as long as I am a member of Parliament, if there is one person in the riding of Hamilton East who wants to work and cannot, then I have more work to do.

SPEAKER'S RULING

UNPARLIAMENTARY LANGUAGE

The Speaker: Colleagues, yesterday in the House we had an unfortunate incident and there was an allegation of the use of unparliamentary language by some of our members of Parliament.

I have discussed the situation with the Speaker who was here at the time. I have reviewed not only the blues but *Hansard*. I have reviewed the video tapes and also the sound tracks.

In my view, for whatever reason, unparliamentary language was used in the Chamber and I would like to remedy that situation because the two members of Parliament who were involved are in the Chamber now.

This is the situation as I understand it. One member of Parliament for the Reform Party, the member for Okanagan—Shuswap, was on his feet giving a speech and in the course of his speech there were exchanges. According to *Hansard* and according to what I heard and saw, the hon. member for Scarborough Centre interjected a word. That word I judge to be unparliamentary. Because the hon. member is here now I will address him directly and ask him to please withdraw the statement he made in this House yesterday.

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, thank you for the opportunity to clarify as to how this word was used or not used. I certainly want to state, as I have all along, that the word was used in a plural sense, not a singular, and certainly not addressed to the hon. member.

Out of respect for you, Mr. Speaker—

● (1505)

The Speaker: These situations are always unpleasant in the House. I put it to the hon. member directly and clearly, will he withdraw categorically the word he used, yes or no?

Mr. Cannis: Out of respect for you and the House, Mr. Speaker, I do.

The Speaker: Thank you.

An hon. member: Point of order.

The Speaker: I am dealing with this matter. I will come to the point of order in just a minute.

Evidently the word that was used by the member on the government side was reacted to, of course, by the hon. member for Okanagan—Shuswap. He, in his excitement, and we sometimes get excited in the House, used words which in my view were unparliamentary.

The hon. member for Okanagan—Shuswap is here now. I would ask him to please withdraw those remarks from yesterday which were unparliamentary.

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, I respect your request that I withdraw my statements. However, the member for Scarborough Centre has made statements which demean me and my colleagues in this House, as well as millions of Canadians. He has made statements to the same effect—

The Speaker: I know hon. members want to explain but for our purposes here in the House, I simply want to address the matter of unparliamentary language which was used. I put the question to the hon. member for Okanagan—Shuswap: will he withdraw, categorically, the unparliamentary language that was used yesterday, yes or no?

Mr. Stinson: Yes I will, Mr. Speaker, but I would like to defer to tomorrow at three o'clock.

The Speaker: Colleagues, I have addressed the hon. member and I thank him for withdrawing categorically, as the other member did.

As I said at the beginning, it was an unfortunate situation that happened. Points were brought up. I have asked for withdrawals from both sides. I do have the withdrawals now and as far as this situation is concerned, unless members have other points of order they want to bring up, this situation as it refers to yesterday, as far as the House is concerned, is closed.

* * *

● (1510)

POINTS OF ORDER

COMMENTS IN THE CHAMBER

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, thank you for dealing with yesterday and I hope that never happens again.

I want to refer to something which has just happened today. Let us hope this is not going to be a regular thing.

When you were on your feet trying to get order after the member did not only just say he had called one a racist but that it was in the plural, the member for Vancouver South hollered across at us: ''The truth hurts, doesn't it guys?''

If this Chamber is ever going to be elevated to anything that is above sub-human, it is this kind of behaviour over there that I will not put up with as a member any more—

The Speaker: Like all hon. members, I hope that—

Some hon. members: Oh, oh.

The Speaker: I did not hear any comments while I was on my feet.

Colleagues, I have appealed to you before and I appeal to you again. We are in the profession of using words as weapons. We also use them to compliment, many times. Surely we use words to defend our constituents and those things which we believe in.

Like all of you who are here, I would hope that debate would be carried on yes, forcefully, but yes, in a civilized way. Unless there are further points of order which do not deal with the situation from yesterday I would be prepared to move on to our business of the day.

The Speaker: In the last few days and in fact in the last few hours in one case we have had two deaths of former parliamentarians. With your permission I propose to move to tributes for the former member for Timmins, the Hon. Jean Roy.

* * *

[*Translation*]

THE LATE JEAN-ROBERT ROY

Hon. Diane Marleau (Minister of Public Works and Government Services, Lib.): Mr. Speaker, it is with great sadness that we learned of the death, last December 28, of Jean-Robert Roy, who had been the Liberal member for the former riding of Timmins in the House of Commons.

[*English*]

Jean Roy was first elected in 1968 in the riding which was then called Timmins in northern Ontario. He was re-elected in 1972 and in 1974 and served until 1979 when he had to leave politics for health reasons. I know that his constituents would have loved for him to have represented them for much longer.

He went on to serve on the international joint commission for the Great Lakes and as president of the Standards Council of Canada.

Jean Roy was born in Timmins in 1923 and took great pride in his home town, the town where he spent most of his life. Deeply devoted to his family, he was a very special person, gifted with a strong and wonderful personality and with many talents which he put to the service of his fellow citizens.

● (1515)

A successful businessman, he contributed to the economic development of his beloved Timmins. If in the best interests of his community there was a board to serve on or a committee to start up, Jean Roy was always there. His many and significant achievements will serve the people of Timmins for many years to come.

During his 11 years in this Chamber, Jean Roy was never very far from his constituents. He was always ready to serve them with a helping hand and an attentive ear. He will be remembered as an MP who wanted the best for his riding and as a parliamentarian who was not afraid to stand up for causes he believed in.

A man of vision as well as of action, he was inspired by Liberal ideals that secure real opportunity for every citizen in a just and

caring society. As Timmins Mayor Vic Power so aptly put it, Jean Roy believed in Canada for all Canadians.

Jean-Robert Roy was a politician in the most noble sense of the word, someone who committed his life to the service of his fellow citizens. We in northern Ontario have lost a friend, a champion for our region. The Liberal Party of Canada has lost an outstanding member. On this side of the House, we all know of his dedication to our party and to its ideals.

On behalf of the Government of Canada I would like to extend our deepest condolences to his family, his friends and his colleagues.

[*Translation*]

Mr. Roy was a francophone and proud of his heritage. A man with an engaging personality, Jean Roy used his talents to serve his fellow citizens. As the member for Timmins, he was also sensitive to the concerns of those he represented in this House.

On behalf of the Government of Canada, and of all my colleagues in the House, I offer our sincerest condolences to his wife Georgette, his son Jean and his daughter Louise.

[*English*]

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I rise today to pay tribute to a fellow Ontarian and former member of Parliament. Jean Roy was first elected to the House of Commons to represent Timmins, Ontario in 1968. He was re-elected in 1972 and 1974.

Mr. Roy devoted much of his life to public service. Born in 1923 in Timmins, Mr. Roy attended school in that city before setting off to Queen's University in Kingston. His career began as an accountant before entering into the construction industry in the United States and other parts of Canada. He spent three years as a construction estimator in Buffalo, New York and then returned home in 1955 to become a partner in Roy Construction Limited.

He immediately became active in his community, serving on the board of directors of the Children's Aid Society, the board of governors of St. Mary's Hospital and as a trustee of the Timmins High School board where he later served as chairman.

Jean Roy was a member of the Canadian Institute of Quality Surveyors. He and his brother Octave were partners in the Senator Hotel in Timmins and Sudbury.

Mr. Roy's devotion to public service was second only to his devotion to his family. In 1947 Mr. Roy married Georgette Clément. He was a father to two and a grandfather to two. Jean Roy passed away last week. To his family we offer our sympathy. He will be missed by all who knew him.

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, on behalf of my colleague from Sherbrooke and the Progressive Conservative Party, I would like to convey our deepest sympathies to the family of Jean Roy.

I did not have the pleasure of knowing Mr. Roy personally but I understand he was a tireless worker on behalf of his constituents. His involvement in his home community, serving on the board of the St. Mary's Hospital, the Timmins High School board and the Children's Aid Society is an example to all of us.

Mr. Roy had a lengthy career in public life by serving 11 years in this House of Commons. Mr. Roy is noted as being the driving force behind the expansion and modernization of the Timmins airport during his time as an MP.

His former campaign manager was quoted as describing him as being a born leader and always striving for the best for the riding and never accepting second best.

It is with great sadness that I express our heartfelt condolences for Mr. Roy's wife Georgette, and his children Jean and Louise.

The Progressive Conservative Party extends our prayers and best wishes for the family of Jean Roy.

● (1520)

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, I want to add my words to those of others who have spoken with regard to Jean Roy.

Jean Roy was a personal friend of everybody in this House during his days here. He was a loyalist to his community, he was a loyalist to this House of Commons and he was a loyalist to Canada. His heart was in what he was doing. He was a man of principles. He never laid back in the harness; he was always there pulling his weight.

I want to say to his wife Georgette and his family today how proud I am, as others are, to have been their friends over the years. I say to them that they have every reason to be proud of that wonderful Canadian, Jean Roy, who served so well in this House of Commons, in his community, across this country and in the business world.

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, on behalf of my colleagues in the New Democratic Party caucus I too would like to join with Jean Roy's many colleagues here in this House and former colleagues, family and friends in honouring his memory and expressing our gratitude for the service that he rendered to Canada as a member of this House for 11 years.

I did not know Mr. Roy; he left the House of Commons the year that I arrived. But one can certainly tell from the information that is available about his life that he was a person who served his

community well in this House of Commons and in a variety of other ways and in the community—

Mr. Speaker, I wonder if the hon. members from the Bloc Quebecois—

The Deputy Speaker: Yes, the hon. member has an excellent point.

[*Translation*]

I would like to ask all our colleagues to pay close attention for a few minutes. The member has raised a very serious question.

[*English*]

Mr. Blaikie: I am sure if we were talking about one of their people they would be quiet.

Mr. Speaker, I was saying that Mr. Roy served the community of Timmins well, as we can see from the information that is available to us. He was one of those people of which there are many thousands, perhaps hundreds of thousands in this country. Far away from the national limelight in communities like Timmins, Sudbury and other northern and rural communities, they are known to people in those communities as people who are willing to do almost anything to advance the well-being of their community. It is with that notion in mind that we in the NDP join with others this day in celebrating the life of Mr. Roy and in extending our condolences to his family and friends.

Mr. Peter Thalheimer (Timmins—Chapleau, Lib.): Mr. Speaker, I was struck with sadness when I was informed that my good friend and former parliamentarian Jean Roy had suddenly passed away at his home in Timmins on December 28.

Yesterday Jean and his good wife Georgette would have celebrated their 50th wedding anniversary. The longevity of their marriage speaks volumes of how Jean viewed all his relationships with people, whether that relationship was in matrimony, in family, in business, in friendship and with his colleagues in this Chamber.

For 11 years, from 1968 to 1979, Jean occupied this seat from which I address this House. He won three consecutive elections and no doubt would have continued to serve his constituents and his country but for a heart attack in 1977. This event forced Jean to retire from active political life and was the reason he did not seek re-election in the 1979 general election.

He loved this Chamber. He worked endlessly. He was never shy to express his strong views on any major topic or issue, whether in caucus, in this House or in public. He was a great parliamentarian.

● (1525)

Although Jean was forced to retire from his political career at a young age, he never ceased to be involved in politics. He loved talking about politics and was involved in every election after his retirement. He was deeply involved in his many community initiatives and contributed much to the community. As a young man I was very much involved and contributed much of my time to his elections in 1968, 1972 and 1975.

I am convinced that was the reason Jean sought me out to be one of his golf partners after he retired. Much of our conversation on the golf course was about the political climate of the day and the future of our country. Jean always had strong opinions and was able to express them clearly.

Jean prompted me to offer my candidacy as a Liberal candidate in the 1988 general election and again in the 1993 general election. Jean had by then become one of my greatest supporters and closest advisers and a friend. As a personal friend of Jean, I benefited much from his optimism, his positive outlook and his political counsel.

Jean was a man who gave everything of himself not only to those around him but also to the society in which he lived. He was a good family man and a good provider. Jean's wife Georgette, his children Louise and Jean, and his grandchildren were always his first priority. Jean served his family and his country well. When all else has been forgotten, service to others endures. What we have done for ourselves alone dies with us. What we have done for others remains and is immortal.

Jean loved much and he was loved by all. Love is the greatest transformer. It turns ambition into aspirations, selfishness into service, greed into gratitude, receiving into giving, and demands into dedication. Jean loved much and his deeds will truly live forever.

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, unfortunately, we did not know Mr. Roy. However it is clear from the tributes paid him by his former colleagues and those who knew him that his reputation was well deserved, and I would therefore like to join with his colleagues in offering his wife and two children the most sincere sympathy of all members of the Bloc Quebecois.

* * *

[*English*]

THE LATE NORMAN FAWCETT

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, last week I was saddened to learn of the loss of a former member of this House, the hon. Norman Fawcett. Mr. Fawcett served in this House as the member of Parliament for Nickel Belt from 1965 to 1968.

Norman was a community leader in the town of Capreol and in the region of Sudbury. More important, he was a family man and a highly respected member of his community. He will be sadly missed by his family, friends and the community.

Norman was originally from Adanac, Saskatchewan where he grew up and later took up farming before moving on to British Columbia to take a job as a logger. He later settled down in northern Ontario, in Capreol, where he worked as a miner and then as a conductor with the CNR. He retired from the CN in 1975. This breadth of experience and pan-Canadian view of things provided Norman with a unique and penetrating insight that served him and his constituents well throughout his political career.

In my youth I vividly recall following his political career in Capreol and Ottawa. His years of public service began in the late forties with his election to the executive of a local of the Brotherhood of Railway Trainmen as it was then known.

• (1530)

In this difficult period for the labour movement, Norman was known as a man who stood by his members and his principles. The membership later rewarded Norman and I believe they rewarded themselves by appointing Norman to various positions of strategic importance to workers' rights and to collective bargaining.

In the early 1960s he entered municipal politics where he served as a councillor and deputy mayor for the town of Capreol. In 1965 he moved to the federal scene as the member of Parliament for Nickel Belt. In 1969 he returned to municipal politics and served as the mayor of Capreol and later on as a councillor and deputy mayor. He retired from municipal politics in 1991.

I do not think it is possible to walk through Capreol without seeing or touching the works to which Norman contributed, the parks, the athletic field, the museum, the library and so many others.

However, for Norman elected office was only one part of public service. The other was community activism and volunteerism. I believe that Norman will be remembered as much for his volunteerism as for his political contributions. I believe it is what defined him as an individual. He gave of himself.

The library board, the horticultural society, the local conservation authority, the Capreol Credit Union, the Lions Club, the Capreol senior's housing development and more all benefited from his leadership and commitment to his community. Public service, volunteerism or to offer one's self to the democratic process is a noble calling.

Mr. Norman Fawcett's life, his accomplishments and his contributions testify to this statement. However, as all members of the House know, it is family and friends that really matter. Norman lacked neither. Norman lacked neither.

He was a committed and devoted family man. He leaves behind his wife Elizabeth, seven children, 20 grandchildren and 21 great grandchildren. I know they will miss him.

On behalf of the people of Nickel Belt and the members of the House, I wish to offer Elizabeth and her family our sincerest condolences on the loss of her husband. He was a great Canadian.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, on behalf of my colleagues in the Reform Party, I would like to pay tribute to a former member of this House, Norman Fawcett, who passed away on January 26 at the age of 86.

One word comes to mind when reading about Norman Fawcett, and the word is devotion.

Although Norman Fawcett only served in the House for one term from 1965 to 1968 as the member for Nickel Belt, his entire life was devoted to public service. Besides his involvement in various community organizations and boards, he served on the municipal council for the town of Capreol where he held the positions of councillor, deputy mayor and mayor before finally retiring from politics in 1991.

He was a conductor with CNR for over 30 years and was also a lifelong member of the United Transportation Union and also of the New Democratic Party.

Mr. Fawcett's dedication to public service is carried on through other members of his family with their service to their community. Several of his family members are currently involved in municipal and provincial politics in the province of Ontario. His legacy and commitment live on through them.

On behalf of the Reform Party, I would like to express our sincere condolences to his wife, children and other members of his family. He will most surely be missed.

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, I rise on behalf of the federal NDP caucus to pay tribute to Norm Fawcett, who died on January 26, 1997 at the age of 86.

As has been pointed out, he was federal NDP MP in the House starting in 1965 and served for three years. Norm spent his whole life, not just his time in the House, but an entire lifetime working on behalf of other people. Although his service in this House was brief, he had a lifetime of service to his community and to his country. He was very much a community based man. He started by helping his fellow workers with the railway unions in the 1950s. He was a conductor with CNR for over 30 years, retiring in 1975.

• (1535)

Although I never met Mr. Fawcett, I certainly sense in him, coming from Transcona, a railway town, a kindred soul and of course, given his origins in western Canada, my fellow New Democrats appreciate that as well, those of us who come from the west.

He was chairman of his union's grievance committee and served as the local union representative. Norm Fawcett served as chairman of the Capreol Association of Railway Running Trades and worked hard to represent the united front on behalf of union members from conditions imposed by CNR.

This power struggle resulted in a wildcat strike. As a result of the strike, he was one of two members appointed to appear at board of transport commission hearings to present the union's case.

Even during these tense times, Norm Fawcett was described as a man who spoke with quiet authority. He gave thought and heart to what he said and people listened.

As well as being a federal politician, Norm Fawcett served as a municipal councillor in 1962 and also deputy mayor. He was elected as mayor of Capreol in 1969 and served four years. He was again elected to council in 1976 and served seven out of nine years as councillor and deputy mayor, retiring in 1991. He also served on the Capreol hydro commission.

It was not enough, however, for Norm to be involved just in collective politics on behalf of his community of Capreol; he was also involved in sports projects such as the minor baseball league, economic development with the Capreol Community Credit Union and served as a represent with the Nickel district conservation authority. He was a life member of Masonic Order and a member of the Independent Order of Odd Fellows and the Capreol Lions' Club.

Norm Fawcett is survived by his wife Elizabeth and his children Donna, Gaye, Penny, Pat, Ken and Heather. He was a grandfather to 20 grandchildren and great grandfather to 21 great grandchildren.

Norm Fawcett was a role model for many NDP activists. They were inspired by Norm's quiet and persuasive ways. They watched in awe as Norm fought CNR from closing the Coniston, Ontario railway station. His thoughtful manner won the day and the station remained open.

In 1972 Norm Fawcett did not run again in the federal election and passed the NDP mantle along to John Rodriguez who went on to represent Nickel Belt for many years.

His hard working and steadfast style also inspired his own family members. His son-in-law is former NDP MPP Elie Martel who represented the provincial riding of Sudbury East from 1967 to 1987. Elie was always proud of the fact that for one year, in 1967, he was the provincial NDP representative at the same time as his father-in-law was the federal representative.

Norm Fawcett's granddaughter, Shelley Martel, also followed in her grandfather's footsteps and was elected as the NDP MPP for Sudbury East in 1987 and remains the MPP today.

The NDP federal caucus offers its deepest condolences to the family.

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I rise today on behalf of my colleague, the hon. member for Sherbrooke, and the Progressive Conservative Party to pay tribute to the late Norman Fawcett. We wish to extend our heartfelt condolences to Mr. Fawcett's family.

Although I did not know Mr. Fawcett personally, after reading his background I wish I had had that opportunity for I found out that Mr. Fawcett and I shared many similarities. Mr. Fawcett was a railway man. He served as a railroad conductor with CNR for over 30 years and he knew the importance of rail and watched how its introduction built this great nation of ours.

Mr. Fawcett also served on municipal council. He was first elected in 1962 and was again elected in 1964. He also served as the deputy mayor.

In 1965 Mr. Fawcett was elected to Parliament as a New Democratic member representing the riding of Nickel Belt. As the MP for the area, he fought successfully to prevent the Canadian National Railway from closing the Coniston station. He served one term as MP and later went on to be elected mayor of Capreol.

His political career spanned 17 years of dedicated service to his community and his country.

The Progressive Conservative Party extends our prayers and our best wishes to Mr. Fawcett's wife Elizabeth, his children, as well as the many members of his extended family.

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, as we did for Jean Roy, and for the same reasons, we wish to offer Mrs. Fawcett, his children and all those Mr. Fawcett leaves behind, our sincerest condolences.

ROUTINE PROCEEDINGS

• (1540)

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

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

[*Translation*]

OFFICIAL LANGUAGES ACT

Mr. Jean-Paul Marchand (Québec-Est, BQ) moved for leave to introduce Bill C-367, an act to amend the Official Languages Act (enforcement of the duties of the government).

He said: Mr. Speaker, this bill is to ensure that the federal government complies with the Official Languages Act. As you know, sections 41 and 42, set out in Part VII of the act—a crucial part in terms of enforcement—are being flouted by the federal government. They act in this matter as if there were no legislation.

The bill will require the federal government to enforce its own legislation.

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

[*English*]

Mr. Frazer: Mr. Speaker, I rise on a point of order. When the member for Scarborough Centre was asked by the Speaker to withdraw his remarks, he qualified his withdrawal by saying that he had not intended it to be in the singular but rather in the plural—

The Deputy Speaker: The hon. member will have to accept the fact that the Speaker ruled that the matter was finished.

Mr. Frazer: Mr. Speaker, this is a new point of order.

The Deputy Speaker: If it is on a different matter, the hon. member may continue.

Mr. Frazer: Mr. Speaker, the member withdrew his statement, but what he said was that he intended it to be in the plural, which means that he was calling me and every one of my colleagues in the House a racist. That is not acceptable and I think it should be withdrawn.

The Deputy Speaker: I understand the hon. member's point very well. The hon. member is aware, as all of us are, that what happened yesterday has hurt all of us. I hope the hon. member—and everyone heard his remark—will realize that the faster we get this thing behind us, the better it is going to be for all of us and probably for all elected people across the country.

I note what the hon. member has said, but I hope that the matter is now a bit behind us.

* * *

PETITIONS

NATIONAL HIGHWAY SYSTEM

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, I am pleased to present a petition which is signed by 32 people from the riding of Bruce—Grey. The petitioners want to draw to the attention of the House that 38 per cent of the national highway system has fallen below accepted standards and that the national highway policy study identified job creation, economic development, the saving of lives and the avoidance of injuries among the benefits of the proposed national highway program.

The petitioners call upon Parliament to urge the federal government to join with the provincial governments to make the highway system upgrading possible, beginning in 1997.

JUSTICE

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, I have the pleasure to present petitions from over 900 Yukoners who are concerned and want to draw to the attention of the House that these citizens believe that the provocation defence as it is currently used in wife slaughter cases inappropriately and unjustly changes the focus of a criminal trial from the behaviour of the accused and his intention to murder to the behaviour of the victim, who from then on is identified as the one responsible for the accused's violence.

● (1545)

The undersigned request that Parliament review and change the relevant provisions of the Criminal Code to ensure that men take responsibility for their violent behaviour toward women.

SOCIAL HOUSING

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I have a petition from more than 300 citizens of Peterborough who are concerned about social housing in Canada, particularly co-op housing.

The petitioners point out that Parliament is negotiating with all provinces to assume the administration of all social housing. The government of the province of Ontario has not respected its legal operating agreements and it has said publicly that it wants to sell off public housing. The co-operative housing sector is unique and separate from all other social housing.

Therefore, these petitioners call on Parliament to recognize the co-operative housing sector as a unique and separate entity from all other social housing and that Parliament seriously consider the transfer of the administration of co-operative housing to a non-government organization as proposed by the Co-operative Housing Federation of Canada.

I endorse that petition myself.

PEDOPHILE REGISTRY

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I have a second petition. This petition is also from citizens of Peterborough who are concerned about making streets safer for children and who believe that sexual abuse of children or anyone in society is intolerable.

Since it cannot be demonstrated sufficiently that sexual offenders such as pedophiles can be cured or rehabilitated, these petitioners pray that Parliament will enact legislation to establish a pedophile registry.

HIGHWAYS

Mr. George S. Rideout (Moncton, Lib.): Mr. Speaker, I too have a petition in support of a highways program and a national highways upgrading system. It is signed by numerous members of my riding as well as other constituents in other ridings in New Brunswick.

IMPAIRED DRIVING

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, I have a petition with a great number of names of people from various parts of my riding.

These people are concerned about the injustice in the way those who are convicted of driving while intoxicated are sentenced. They believe there are profound inadequacies in the sentencing practices concerning individuals convicted on impaired driving charges.

Therefore they pray and request that Parliament proceed immediately with amendments to the Criminal Code which will ensure that the sentence given to anyone convicted of driving while impaired or causing injury or death while impaired reflects both the severity of the crime and zero tolerance by Canada toward this crime.

[*Translation*]

ABOLITION OF SENATE

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, I would like to table a petition in this House on behalf of more than 260 petitioners from my riding and elsewhere in Quebec.

This is such an important petition that I must read you the preamble. ''We ask that the other House, whose members are not elected nor held accountable for their actions and whose operating budget totals $43 million, the other House that will not account to this House for the use of its appropriations, fails to fulfil its regional representation mandate and duplicates the work done by the members of this House, be abolished''.

This petition is signed by 260 people in my riding.

CANDU REACTORS

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, I have a second petition, signed by some 50 people from my riding and from elsewhere in Quebec, asking the Canadian government to neither finance nor subsidize the sale of Candu reactors to China, and to take into consideration that country's poor environmental track record.

[*English*]

HIGHWAYS

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I have two petitions to present today. One of them addresses the appalling condition of our national highways.

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

DISABILITY BENEFITS

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, my second petition deals with people who are caught in the disability system where they have a disability and there is no financial support for them.

The petitioners pray and request that Parliament introduce mid-term disability benefits legislation which allows working Canadians who suffer from a debilitating illness or injury to receive continuous sickness benefits in the following form: (a) 15 weeks UIC; (b) mid-term disability; and (c) Canadian disability pension plan.

● (1550)

PORNOGRAPHY

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, I have a number of petitions.

The first petition calls on Parliament to have our present laws on obscenity strictly upheld, demonstrating a will to protect the men, women and children of Canada from pornography's impact, thereby also fostering recognition and treatment for sexual addictions which most often have been fueled by the use and impact of pornography.

NUCLEAR REACTORS

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, the second petition calls on Parliament to cancel the planned sale of Candu reactors to China and to immediately withdraw from all arrangements concerning financial and technical assistance to China for nuclear reactor technology.

HIGHWAYS

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, the third petition calls on Parliament to urge the federal government to join with provincial governments to make a national highway system upgrading possible.

BILL C-205

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, the fourth petition calls on Parliament to enact Bill C-205, introduced by the hon. member for Scarborough West at the earliest opportunity and to provide in Canadian law that no criminal profits from committing a crime.

QUESTIONS ON THE ORDER PAPER

Mr. Paul Zed (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the following questions will be of particular interest to my colleague from Trois-Rivières. Questions No. 87, 88 and 89 will be answered today.

[*Text*]

Question no. 87—**Mr. Rocheleau:**

With respect to family trusts: (*a*) exactly how many family trusts have been recognized by Revenue Canada since 1972; (*b*) how many family trusts have accumulated assets in the following amounts: (i) $100,000 and less, (ii) $100,000 to $500,000, (iii) $500,000 to $1 million, (iv) $1 million to $5 million, (v) $5 million to $25 million, (vi) $25 million to $100 million, (vii) $100 million to $500 million, (viii) $500 million to $1 billion, (ix) the number of family trusts worth $1 billion or more, with an individual description of each and (*c*) specify what percentage of all the trusts in each category is held in each province?

Hon. Jane Stewart (Minister of National Revenue, Lib.): In response to (a), the term ''family trust'' is not a defined term in the Income Tax Act. The term ''personnal trust'' is, however, a defined term in the act and includes: (i) testamentary trusts, established upon the death of the individual; and (ii) inter vivos trusts, established while the settlor of the trust is alive, for which generally no amount is paid by the beneficiary for the interest in the trust.

The terms ''family trust'' and ''personal trust'' are often used interchangeably. Based on 1994 statistics, there were 117,642 returns filed for personal trusts. Revenue Canada did not begin collecting trust data by computer until 1992. However, of the personal trusts that existed in 1994, 15,832 were created prior to 1972.

In response to (b), just as individuals are not required to file a balance sheet which indicates assets owned with their personal income tax returns, neither are trusts. This is so because individuals and trusts are subject to tax on annual income generated by assets and not on the basis of assets themselves. Therefore, Revenue Canada does not have information with respect ot the dollar amount of assets held by trusts.

In response to (c), as explained in the answer to (b) above, Revenue Canada does not have information with respect to the dollar amount of assets held by trusts.

The number of returns filed by personal trusts in 1994 was 117,642. The breakdown by province is as follows:

NF	400
PE	329
NS	2,823
NB	1,141
QC	16,705
ONT	56,339
MN	6,294
SK	4,035
AB	10,517
BC	18,635
NT	294
YK	130
	177,642

Question No. 88—**Mr. Rocheleau:**

What is the impact on the Canadian tax system of the shortfall since 1972, per year, from the establishment of family trusts?

Hon. Jane Stewart (Minister of National Revenue, Lib.): Trusts are subject to tax on their annual income except to the extent the income is allocated to beneficiaries, in which case the income is subject to tax in the hands of the beneficiaries. Therefore, all income is subject to tax.

Questions concerning the shortfall of tax revenues arising from the establishment of family trusts were raised in 1994 by the Standing Committee of Finance during the committee's study on the taxation of family trusts undertaken pursuant to Standing Order 108(2).

At that time, the committee attempted to ascertain the applicable tax revenues that might have been assessed on deemed taxable capital gains had the extension to the 21-year rule not been enacted by the previous government. Such a determination required knowledge of both the cost base and the current value of assets held by those trusts. However, as trusts are not required to file annual balance sheets, information regarding the assets held by trusts was impossible to obtain.

Hence, attempts to speculate on the value of assets held in trusts and the anticipated shortfall in tax revenues as a result of the extension of the 21-year rule were not successful.

Question no. 89—**Mr. Rocheleau:**

With respect to family trusts: (*a*) to date, how many family trusts have taken advantage of the ruling Revenue Canada issued on December 23, 1991 enabling them to transfer their assets abroad tax free and (*b*) what is the value of the assets and the province of origin of each of the family trusts that have been transferred abroad?

Hon. Jane Stewart (Minister of National Revenue, Lib.): In response to (a), no trust has requested a ruling similar to the December 23, 1991 ruling and to date Revenue Canada has no knowledge that any trust has proceeded with a similar transaction.

In response to (b), as explained in the response to (a), Revenue Canada has no knowledge that any trust transferred assets abroad in circumstances similar to the 1991 ruling.

[*English*]

Mr. Zed: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Paul Zed (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that all Notices of Motions for the Production of Papers be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

POINTS OF ORDER

TRADITION IN HOUSE OF COMMONS

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, I have just a small point of order arising out of the tributes.

Unless my memory serves me incorrectly, the custom of this House has been on the occasion of a tribute for the first tribute to any particular former member of this House, or a member of this House that has died, is to come usually from the representative of the party for which the member sat, or in some instances the sitting member for the riding for which the former member sat.

I noticed today that in the case of the former member for Nickel Belt it was a sitting member that was recognized. I fully expected that the next member recognized would be a member from the New Democratic Party and that was not the case.

I would like to register my objection to this departure from what I consider to be the tradition in this House, a tradition of which the Chair should be well aware, having sat in this House as long as I have.

The Deputy Speaker: I thank the hon. member for his point. The Chair fully agrees with it. I regret that I did not go to the hon. member after or before the member who sits for the seat at the moment. I thank the hon. member for drawing that to the attention of the Chair.

GOVERNMENT ORDERS

[*English*]

EXCISE TAX

The House proceeded to the consideration of Bill C-70, an act to amend the Excise Tax Act, the Federal-Provincial Fiscal Arrangements Act, the Income Tax Act, the Debt Servicing and Reduction Account Act and related acts, as reported (with amendments) from the committee.

SPEAKER'S RULING

The Deputy Speaker: I have a ruling with respect to the groups at the report stage of Bill C-70.

There are 125 motions in amendment standing on the Notice Paper for the report stage of Bill C-70. Motions will be grouped for debate as follows:

Group No. 1: Motions Nos. 1 and 2.

[*Translation*]

Group No. 2: Motions Nos. 3 to 117.

Group No. 3: Motions Nos. 118 to 124.

Group No. 4: Motion No. 125.

[*English*]

The voting patterns for the motions within each group are available at the table. The Chair will remind the House of each pattern at the time of voting. The Chair will now propose Motions Nos. 1 and 2 to the House.

Mr. Barry Campbell (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, a point of order. You might find unanimous consent for all motions on the Order Paper today to be deemed to have been read and seconded and a recorded division requested and automatically deferred on each according to your ruling.

• (1555)

The Deputy Speaker: Is there unanimous consent for the motion just proposed?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: There is obviously not unanimous consent. Members are going to have to listen to all of them being read.

[*Translation*]

MOTIONS IN AMENDMENT

Hon. David Anderson (for the Minister of Finance) moved:

Motion No. 1

That Bill C-70, in Clause 26, be amended by replacing lines 30 to 45 on page 38 and lines 1 to 6 on page 39 with the following:

''(1.3) Where

(*a*) a registrant (in this subsection referred to as the ''auctioneer''), on a particular day, makes a particular supply by auction of prescribed property on behalf of another registrant (in this subsection referred to as the ''principal'') and, but for subsection (1.2), that supply would be a taxable supply made by the principal,

(*b*) the auctioneer and principal jointly elect in prescribed form containing prescribed information in respect of the particular supply, and

(*c*) all or substantially all of the consideration for supplies made by auction on the particular day by the auctioneer on behalf of the principal is attributable to supplies of prescribed property in respect of which the auctioneer and principal have elected under this subsection,

subsection (1.2) does not apply to the particular supply or to any supply made by the auctioneer to the principal of services relating to the particular supply.''

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ) moved:

Motion No. 2

That Bill C-70 be amended by deleting Clause 69.1.

He said: Mr. Speaker, unless I am mistaken, we are now dealing with Group No. 1. Is that correct?

The Deputy Speaker: Yes.

Mr. Loubier: So, it is about the GST as it applies to books.

I am very pleased to discuss this provision of Bill C-70 concerning the partial zero rating—

The Deputy Speaker: Order, please. I want to make a correction. Motion No. 1 is in the name of the government. The mover of a motion is always entitled to speak first. In this case, I made an error. I now give the floor to the Parliamentary Secretary to the Minister of Finance.

[*English*]

Mr. Barry Campbell (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, Motion No. 1 in Group No. 1 pertains to clause 26 of Bill C-70. It enacts new subsections 177(1.2) and (1.3) of the Excise Tax Act which sets out the sales tax treatment of goods sold by auction. Subsection 177(l.2) provides that the tax on such goods must be collected and remitted by the auctioneer.

In response to concerns raised by some registrants that frequently sell goods by auction in large lots, typically at the wholesale level, the Standing Committee on Finance passed an amendment to add new subsection 177(1.3). This subsection allows an auctioneer and a registered principal to jointly elect to have the auctioneer instead pass back the tax to the principal that would be required to report and remit it.

This election could be made where all or substantially all of the proceeds from the sale of goods on behalf of the principal at the particular auction were attributable to prescribed goods that are often wholesaled in this manner, such as motor vehicles, certain construction equipment, horses and flowers.

The purpose of the motion before the House now is to correct a deficiency in new subsection 177(1.3). The correction adds that the election applies only with respect to sales by auction in respect of which the principal would otherwise be required to collect the tax. That only seems a fair and appropriate correction.

As a result, the general rules that apply to sales by auction continue to apply, for example, to personal use property of the registrant sold by auction.

● (1600)

That concludes what I have to say with respect to Motion No. 1. However, I need some guidance from the Chair as to whether we would be debating Motion No. 1 or whether I could make some comments on Motion No. 2 as well at this time.

The Deputy Speaker: The short answer is yes. In fact, the parliamentary secretary is only entitled to speak once in this group so he had better do it now.

Mr. Campbell: Mr. Speaker, with respect to Motion No. 2, which my hon. colleague will be speaking to in a few moments, I might reserve my comments, as the same issue comes up later on. It does speak to the issue of books and the possibility of zero rating books and deleting the rebate which has been provided for in Bill C-70.

We feel quite strongly that the provision with respect to the purchases of books by certain libraries and public institutions responds very directly to the concerns of those who care about the important issue of literacy in this country, that the proposal instead that we are going to hear about in a few moments would be costly and not effective in responding to the literacy needs of this country.

The provinces that are harmonizing at this time are also offering point of sale rebates which will also go a long way toward addressing some of these concerns. I will reserve my further comments for later on.

[*Translation*]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, I am particularly pleased to speak to this clause of Bill C-70 concerning a partial lifting of the tax on books purchased by libraries and literacy organizations, which the government has decided should be exempt not just from the new sales tax that applies in the maritimes, but also from the GST in the rest of Canada.

We applauded this measure, but we also told the government that it was not going far enough in this objective of exemption from the GST or from the new national sales tax in the maritimes. All books bought by educational institutions, by institutions, by literacy organizations, as well as those bought by consumers must be exempt from the sales tax.

In Quebec, there is no provincial sales tax on books. We have understood that culture is important to a people. We have understood that taxing books is taxing ignorance, something the government has not yet figured out.

Before going any further with this analysis of the clause in the bill, I would like to remind the House that the initial seven members of the Bloc Quebecois were the only members in this House to defend the exemption from the GST of all books sold in Canada. They were the only ones to say that the GST should not apply to books, because culture is important, knowledge is important, and that consideration must be given to the fact that Quebec and Canada constitute two distinct cultures that must be protected and promoted, and that their authors must be protected as well.

I would like to pay tribute to those who defended this principle: the former member for Lac-Saint-Jean, Lucien Bouchard, now premier of Quebec; the former member for Shefford, Jean Lapierre; the former member for Hull-Aylmer, Gilles Rocheleau; the member for Rosemont; the member for Longueuil; and the member for Saint-Hubert. Without their conviction regarding two cultures, Quebec's and Canada's, there would never have been any talk in

this House of tax exempting books and culture generally. They were the sole defenders.

I wonder why, and actually I think I know why the government does not abolish all taxes on books. This is a government made up of ignorant people. This government has no culture and does not care about culture, not even about the Canadian culture it claims to defend. It cares even less about Quebec culture and the preservation of that culture.

Not long ago, the Minister for International Trade gave us a good idea of what he thought about protecting Canadian and Quebec culture. Everything is on the table. Canadian and Quebec culture are just pawns in the new trade relations with Canada's partners. Nothing is sacred.

• (1605)

Traditionally, those who called themselves Canadian nationalists and those who call themselves Quebec nationalists and still do as I was saying, all Canadian nationalists were intent on preserving what make them different, just as Quebec nationalists and especially sovereignists are intent on preserving what they are and the very basis of what they are, their culture and also their literature, which is an important cultural link.

But this government is breaking with every tradition. This government has chosen to ignore all the principles defended by the greatest federalists, the greatest Canadians in our history. It is true in the cultural sector and it is also true in Canada's external relations.

I want to take this opportunity to pay tribute to Mr. Pearson who was a great Canadian Prime Minister. Mr. Pearson was the image of a diplomat who was a supporter of world peace and a defender of freedom and human rights. And he stubbornly defended this typically Canadian policy.

Today we have a government that could not care less about human rights. It does not mind doing business with countries that ignore human rights and basic freedoms. The important thing is to sign trade agreements.

The government has broken with a tradition of defending Canadian and Quebec culture. It has broken with a tradition of conducting a foreign policy intent on preserving and promoting peace and basic freedoms. This government is destroying everything it claims to defend as being fundamentally Canadian.

If there were no Société des auteurs dramatiques or Union nationale des écrivains or their Canadian counterparts to defend and promote Quebec and Canadian culture, this government would certainly not do it for them.

If we did not have people like Mr. Beauchemin, for instance, one of our well-known authors, the author of *The Alley Cat*, and if we did not have Margaret Atwood on the Canadian side, this government would certainly not defend Canadian culture.

Ms. Atwood is a great writer to whom I want to pay tribute, because her last two books are truly outstanding. I really enjoyed reading *Wilderness Tips* last year, and the *Robber Bride*, published recently by Ms. Atwood. She is one of the greats. So, if Ms. Atwood had not vigorously defended Canadian culture, this government would not have been there to do so.

Recently, again, she was not afraid to stand up to the attitude of these lowbrow governments, which do not care about their own culture and ridicule Quebec culture with such stupid and shameless decisions as the one to put everything on the table during trade negotiations, when no one was protecting Quebec and Canadian culture.

The government penalizes learning. Every day, the government is killing off Canadian and Quebec culture and the likelihood of developing new authors and keeping the ones we have, like Mr. Beauchemin and Ms. Atwood.

The government does not realize it is destroying what it claims to be representing. It prefers to spend tens of millions of dollars promoting the flag. Behind this flag, however, there is a cultural, a patriotic, reality it claims to be defending. When I hear the Minister for International Trade and see the government taking positions such as this, which resolve a minor part of the problem, when we should be removing all tax on cultural products, I say these people are irresponsible.

The position of the Bloc Quebecois, the official opposition, as contained in the first group of motions, is that books should be exempt from the GST, as they are from the sales tax in Quebec. That seems clear. There are not hundreds of millions of us in Quebec or Canada. It seems to me that each of the two peoples has a distinct identity, which it wants to promote both within and outside its borders.

• (1610)

I think it would be worthwhile to give these two cultures a hand up so that their influence can spread across Canada, in Quebec and even abroad. If the Minister of International Trade wants to discuss trade, he should talk about the real thing. Before cultural products can be traded, a favourable environment must first be created for their production.

We have to start by promoting authors, and the sale of their books so that they can earn a living and go on producing the master works they make us so proud of every year.

Seeing how ignorant and unrefined this government is, and how insensitive it is to the Canadian identity, let alone to the Quebec identity, one can understand why it has such a hard time doing

things that come naturally between two peoples that respect one another.

[*English*]

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, it is a pleasure to speak to Bill C-70 and, in particular, some of the motions that are being moved with respect to Bill C-70.

I must say that although this is the new year, 1997, and my first speech here in the new year, it is unfortunately not very new legislation. Although there have been some amendments which had been discussed in the previous year, and although there has been a hue and cry from many corners of the country about this legislation, it remains substantially unchanged. Therefore it is quite unacceptable to the Reform Party.

I want to start by touching on some of the major objections that we have heard not only from people in Atlantic Canada but from national retailers who do business in Atlantic Canada. I do not know if members have been following the papers, but it is absolutely flabbergasting to me that the government still insists on pushing forward with many components of this bill even though there is a groundswell of opposition to it.

Probably the most obvious example of that is the tax in pricing component. During the finance committee hearings a couple of weeks ago here in Ottawa we had retailers from across the country come to Ottawa and say to the government repeatedly they do not have big concerns about harmonized sales tax with the single caveat that it should not include tax in pricing at this time. Some of them had other concerns and there were some minor objections that they raised with respect to other issues, but with almost with one voice they said they do not see any point in bringing in tax in pricing at this time when it is only going to happen in one part of the country. They raised a number of objections.

One of the objections they raised, which is so obvious, is that if we bring it in in one part of the country but not in the rest of the country then we do not have tax simplification, which is what the government said it was aiming for, but tax complication and confusion. Now we have different prices for the same goods on different sides of the border, depending on whether one is outside of Atlantic Canada or inside Atlantic Canada. When I say Atlantic Canada I should exclude Prince Edward Island because it did not become part of this deal. People obviously have big concerns about this. It is going to add all kinds of regulatory burden.

If it were only regulatory burden that would be bad enough, but business leader after business leader came before the finance committee and said that it was going to mean extra costs and extra costs can be reflected in several ways. It will mean higher prices for consumers. It will mean that people will have to be laid off or in some cases businesses will have to close.

I see the parliamentary secretary here. He was at the same meeting I was at where the representative from Carleton Cards said that they would close 19 stores if this legislation came in as it was because they had 19 stores that were marginal, stores that were either just barely making it or slightly unprofitable. They said that this legislation would mean that they would no longer be profitable and would have no prospect of becoming profitable and therefore would close.

● (1615)

Obviously in Atlantic Canada where the economy has been in a shambles for a number of years, this legislation is going to hurt those people and there is no reason for it. So far the government has been unable to come up with a single shred of evidence to explain why tax in pricing has to come in at this time in Atlantic Canada. There is not one piece of evidence.

At one point a poll was conducted which, by the way, it was suggested was worded so that somehow the people of Atlantic Canada wanted tax in pricing. When the poll was looked at closely, it was discovered very early on when people discovered that tax in pricing was going to mean extra costs for them, the support dropped. Actually only a minority of people in Atlantic Canada, even according to the Nova Scotia government poll, supported tax in pricing. That is a major concern.

It is going to cost jobs. Woolworth Canada has said it could close as many as 30 per cent of its 125 stores in Atlantic Canada. Another group has already closed a number of stores in New Brunswick specifically because of tax in pricing. Again, I do not understand why the government is going after the people of Atlantic Canada and hurting them with this legislation.

The next point I want to make is that for the life of me I cannot understand why, when I proposed a motion in the finance committee that the hearings be extended and moved to Atlantic Canada where people will be most affected by this legislation, the Liberal members voted against taking the hearings to Atlantic Canada. To me that is unbelievable. Here is legislation, probably the most important tax legislation to affect the people of Atlantic Canada in a generation, and they are not given a voice on what kinds of changes should be made or whether or not the legislation should even go ahead. It is certainly taxation without consultation, and I would argue it is taxation without representation.

I heard one Liberal member say: ''In my riding of Atlantic Canada I personally put out some notices that said we would fly people from Atlantic Canada to come to the meeting''. That is ridiculous. People in Atlantic Canada have a right to demand that their government come to them when it is proposing a taxation system that in some cases will have dramatic effects on their own personal economic well-being.

One of the effects of the harmonized sales tax is that people on fixed incomes in particular will be hard hit. Those people who are on fixed incomes and who perhaps are disabled should have a right to be in their own community, whether it is Truro, Nova Scotia, or St. John's, Newfoundland, or Saint John, New Brunswick, wherever it is they should have a right to call the government to account in their own community. They should not have to apply to see if the government will bring them to Ottawa and take a day or two away from their families. That is fundamentally wrong. It is contrary to democracy.

I do not want to try to anticipate what the government is going to do with respect to limiting debate on this legislation. If on the one hand the government does not let people in Atlantic Canada have hearings on this legislation, and on the other hand the government tells Canadians it is not going to let the opposition point to the flaws in the legislation and introduces time allocation, then people will have every right to be as cynical as they are today about the lack of democracy in this country.

When we go door to door, people say that we have an elected dictatorship. If I have heard it once, I have heard it a thousand times. The government has a chance to prove that is not the case, to a small degree this time, if it says it will not introduce time allocation. I will not go on about that any longer.

I do want to touch on the issue of GST on books. I see a Liberal colleague across the way who has spoken out on the GST on reading materials. The government had a prime opportunity this time around to introduce new legislation that would fulfil a red book promise, a promise to the Don't Tax Reading Coalition, a promise that was made in two successive Liberal policy conventions that they would scrap the GST on reading materials.

• (1620)

Instead, the GST will now be doubled on reading materials in Atlantic Canada. No matter how we look at it, that is not fulfilling the promise. In fact, it is mocking the people to whom the Liberals made the promise before, that they would get rid of the GST. There is just no other way to put it.

Mr. Speaker, I know my time is running short. I will simply conclude by saying that this legislation is wrong and that these amendments do not fix the bill. I encourage all members in this House and especially members from Atlantic Canada to scold the government by not voting for it.

[*Translation*]

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, I wish to address Group No. 1, which concerns the GST on books and which is made up of Motions Nos. 1 and 2.

The Liberals claim that books will no longer be taxed. This is not true and, as regards the GST credit on books, the government does not go far enough. Ever since Quebec introduced the QST, all books have been exempted from the provincial sales tax, not just those purchased by literacy institutions, schools, public libraries and so on. All books are QST exempt, including those purchased by consumers in bookstores, which represent the bulk of GST revenues on book sales.

The measure announced by the Minister of Finance and which the parliamentary secretary explained earlier this afternoon is a half-measure designed merely to enable the Liberals to boast that they have eliminated the GST on books, when in fact they have done no such thing.

Taxing books means taxing knowledge. It means taxing education and, in the longer term, it means taxing employment, given how important education is to finding a job in the new economy that is emerging in Canada.

The Bloc Quebecois has been fighting since the very beginning, even under the Conservatives, to have books exempted from the tax. But this can only be a total victory if all books are exempt from the GST, not just those bought by literacy and educational institutions.

With the federal election looming ahead, this government is resorting to a favourite strategy of the Liberal Party, that of the coverup. Whether it is the Somalia inquiry, the Krever commission, the Airbus affair or the Pearson Airport issue, the Liberals want to hide the truth from Quebecers and Canadians at any cost. They want to sweep everything under the rug as quickly as possible, before the election campaign.

The Liberals display exactly the same attitude, which is something of a tradition with them, toawrd the GST. The Liberal government is obviously embarrassed by the broken promise made by the Prime Minister and the heritage minister to eliminate the GST, a tax which they claim to hate. In order to avoid having to explain this broken promise, the Liberals want to reach an agreement at any cost with the maritime provinces on GST harmonization, so as to be able to claim that they at least did something, however little, to change a tax that is resented by all Canadians.

It is not the first time that Liberals make a colossal error which, in the end, ends up costing hundreds of millions of dollars to Canadian taxpayers. However, this time the Liberal government is also making a mockery of democracy by preventing elected members from the opposition to properly carry out their duties as parliamentarians.

An hon. member: Unbelievable.

Mr. Bélisle: Indeed, as per usual.

• (1625)

Just before Christmas, we criticized the manner in which the Minister of Finance tabled these documents. The official opposition—I remember, I was there—had fewer than 24 hours to examine a technical bill over 300 pages long, for which we had not received explanatory notes before debate at second reading.

But last January, we witnessed a spectacle that was even more disgraceful for anyone who still believes in the quality of democratic life in Canada. First, the Liberals allowed only three days of public hearings on a bill as vital to the maritimes as Bill C-70. This was last January 20, 21 and 22, you will recall.

The opposition parties asked the government to extend the consultations and to travel to the maritimes to be able to hear what these people have to say, but the Liberal majority on the Standing Committee on Finance, including the parliamentary secretary, defeated this motion in committee.

I also remember tabling this motion in the finance committee last January 22, at the end of the day, and the Liberals simply brushed it aside. Yet the Liberals came up with 13 important amendments—those were their words, ''13 important amendments''— to Bill C-70, the very evening of the third and final day of public consultation, claiming that these amendments were a response to the complaints heard during the three days of hearings.

If it was possible to find 13 amendments in three days, imagine how many we would have had if we had been able to extend the public hearings by one week, as the official opposition had requested.

In their haste to leave behind the embarrassing issue of the GST, the Liberals do not want to hear what people have to say; they are afraid that people in the maritimes will tell them the plain truth: Bill C-70 is a botched job, a very bad bill. The Liberals are standing in the way of democracy by preventing citizens from expressing their views, and by moving full steam ahead, worrying more about their electoral agenda than about doing a good job of serving the citizens who will pay for this new tax.

That is not all. The very evening of the clause by clause study of Bill C-70 in committee, the Liberals introduced, at the end of the day, 113 amendments for a bill that had 272 clauses. This in itself is irrefutable proof that Bill C-70 has received amateur treatment from the Liberal government and that more public consultation is needed if citizens' needs are to be met. We are already at third reading. The Liberals turned down the Opposition's request to continue the hearings; it is therefore too late, unfortunately.

Still more distressing is the fact that the official opposition's research service was given only an hour's briefing by the Minister of Finance's staff concerning the 113 amendments the government was planning to table two hours later in committee, and no document was left with them for consultation.

As a Bloc Quebecois member, I sat on the committee the entire day of January 22, and I was given a copy of the 113 amendments under embargo some two and a half hours before the clause by clause study.

As a result, the Bloc Quebecois was not in a position to play its role as the official opposition effectively and appropriately on the finance committee at that time. In a way, the government was asking us to trust it implicitly, to give it carte blanche, to take it on its word, and above all not to hold it back in accomplishing its game plan before the next election.

The Bloc Quebecois proposed a motion to suspend the work of the committee for a week, allowing it the time to examine the Liberal amendments; this motion was rejected by the chair of the finance committee himself.

Even this week, the opposition had not even received the printed copy of Bill C-70 reflecting the amendments received in committee, 24 hours before resumption of the debate on third reading. On February 3, we learned from the *Téléjournal* that the chairman of the finance committee was still in the process of reviewing the legislation, and that it was possible the government would back down on its plan to include the tax in the price.

• (1630)

How can anyone do a proper job under such conditions? The Liberals are shamelessly thumbing their noses at democracy. We can be sure they will pay dearly in the next election for their arrogance.

In conclusion, I would like to state that the government is deceiving the public by saying that the GST has disappeared. In fact, the Liberals are not living up to their commitment on this, nor have they ever. The GST is still with us, although it was supposed to quite simply disappear from the books, and to do so as quickly as possible.

[*English*]

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, Bill C-70, which is the son of the GST, the most hated and the most reviled tax we have had in Canadian history, has been revisited upon us, especially upon those people of Atlantic Canada.

The government said that it would axe, scrap and abolish the GST. It did not say it once, it said it on innumerable occasions during the election campaign.

In previous speeches I have read into the record the Prime Minister and other members of the Liberal government who stood in this House and condemned the GST. They said that at the first available opportunity they would get rid of the GST. Canadians who voted for the Liberals at the last election believed that they would follow through on their commitment to axe, scrap and abolish the GST.

Today we are debating the son of the GST. The son is larger than the parent. It now means more tax, not less tax. It now means that we are going to tax more areas. We are not going to take the government of out people's hair, we are going to expand it everywhere.

We had a debate a few months ago in the House about books. Books and learning materials are important to all Canadians. They are important to our young. They are important to many people in the information society in which we live, yet the tentacles of government have reached out and now cover books as well as everything else.

The Minister of Finance thought that he would make a grand gesture and say: ''Yes, books are important to students. Books are important to schools. Books are important to universities. Therefore, the books purchased by universities are going to be exempt from tax''. However, students will still have to pay the tax. The universities are going to be exempt, but the students are going to have to pay. That means that the government, through its smoke and mirrors policy, through its sleight of hand policy, is saying: ''Books to the universities are going to be tax free, but students are going to get squeezed even more''. The Minister of Finance cannot keep his fingers off anything.

We have seen how the government has cut transfers to the provinces for health and education. We have seen it in the headlines of the newspapers. In Edmonton last week there was a headline which pertained to the University of Calgary that stated that fees are going to go up $300 a year. Fees are going up not because it costs more for the university, but because the government is going to pay less.

While the government is going to pay less, it is going to take more from university students. It is going to take more by way of the GST and the students will have to pay more for their university tuition while the Minister of Finance stands in the House and brags about how he is bringing down the deficit. It is despicable that he would have the gall to have a smile on his face while he is bringing down the deficit on the backs of students and on the backs of the people who we need to be educated to maintain our standard of living in the future. It is amazing how shortsighted the government is, that it would smile and take the credit for this type of thing. University students, which include my son, have to scrimp and save and do without so that the Minister of Finance can sing his song of deficit reduction. Shame.

• (1635)

I remember it being said in debate when the GST was first introduced that second hand goods would not be taxed, that the government would tax goods once and once only. That is why it said that it would put a tax on new housing but that it would not put a tax on used housing. The Liberal Party at that time condemned the Tory government and forced it into making the commitment that goods would be taxed once and once only.

Now the Minister of Finance has introduced this son of the GST, and what has he done? He has taxed used cars. Every time a car goes through a car lot the Minister of Finance picks up the GST because that is one of the new rules contained in the son of the GST. Therefore, car dealerships in Alberta and right across the country will now have to suffer greater competition from the backyard dealerships, the private sales and so on. Livings will now be harder to come by because the Minister of Finance squeezed them for more money. Every time a car goes through their lots, he now collects the GST.

That is what we are up against, a tax grab anywhere, everywhere. Is there anywhere that the Minister of Finance has not looked for tax? Is there a stone he has not turned to look for another tax dollar? I doubt it very much. That is why this government no longer has any integrity. That is why the Prime Minister's popularity is coming down in the polls. People out in this great country of ours are starting to realize that what the Prime Minister says and what the Prime Minister does are two different things.

Surely we deserve better. We thought we could get better but unfortunately the government is quite content to maintain this double standard.

An hon. member: Your leader is just cruising along the bottom, bottom fishing.

Mr. Williams: I hear some heckling coming from the other side. We had some heckling yesterday that caused a little ruckus in the House. I hope these people do not get back down to that level again today because that seems to be where they are most of the time, down somewhere around the gutter. They do not have the moral fortitude to stand up and deliver on their word.

They like very much to shout epithets across the House which they would never dream of saying outside the House. They accuse other people and other parties with their broad brush statements—plural, have no doubt, Mr. Speaker. They make sure that nobody is missed with the wide sweep of their broom. They feel they can denigrate other people's ideas, but they only drag themselves down.

This country should have better government. The Minister of Finance tells us how the deficit is coming down and how his policies have achieved great deficit reductions. Yet when we take a look at the figures, which include the small figures, we realize that while the deficit has come down by $25 billion, revenues have gone up by $25 billion.

My point is that the GST only brings in $15 billion. The Minister of Finance stood up in this House and said, ''I can't live up to my promise because if I got rid of the GST I would have to get another tax to replace it'. That is a deliberate misstatement of the facts. He is now collecting $26 billion more. He could have eliminated the GST and still had $10 billion more than he had when he started

three years ago. He could have lived up to his promise on the GST. He is now collecting more revenue than what the GST creates in its entirety.

• (1640)

That is the type of deception that we have to get out. We have to make sure the people understand the type of information that is being disseminated by this party on the other side. When I tell people back in my riding they say: ''I had no idea. Is that right? If I had known.'' Let us tell them the deception that is going on, the smoke and mirrors. As I said, I do not think the Minister of Finance will leave any stone unturned.

I saw another bill this morning. I am not sure if it was Bill C-69 but it was a tax implementation act. It had about 20 different categories to squeeze out some more, broaden the rules to collect more, close the loopholes to make sure that nobody is missed.

I could go on and on, but I think I have given a picture at this point in time. I will allow my colleagues to continue on.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I am grateful for this opportunity to speak to Bill C-70. I salute the parliamentary secretary, the hon. member for St. Paul's. I know he is a gentleman and a scholar. I had the opportunity to discuss a variety of topics with him, and I know he is a humanist with all that entails.

I must admit I cannot understand why he supports, why he goes along with a bill which, after all, deals a harsh blow to our culture by maintaining the GST on books. It is a harsh blow to culture in Quebec but also to culture in English Canada.

I may remind the parliamentary secretary, the hon. member for St. Paul's, that his riding is an important centre of intellectual life. Will he be able to show his face in his riding this weekend? I fear for his safety. Will he be able to visit the upstanding citizens in his riding with a proposal like the one he has just tabled?

I think we have to go back to the basics. We believe that for all kinds of reasons which are typical of our time, of our era, until a few years ago, literature was appreciated both as a discipline and as a source of knowledge. The printed word was a part of our lives. The hon. member for Anjou—Rivière-des-Prairies is well aware that this goes back to Gutenberg and that there are whole generations for whom the printed word was a part of learning and of the way we acquired knowledge.

Times have changed. We all know that as far as learning and the transfer of knowledge are concerned, the electronic media have become a major factor. We are sure that if we did a little survey of all the pages here in the House, we would find that each and everyone of them has a computer and is familiar with the Internet. But they do not necessarily invest as much time in a more conventional activity: reading.

We believe books should be exempted from the GST or its new form, the harmonized sales tax, because it would be a way to support book sellers and encourage the spread of knowledge by a medium that is somewhat more conventional but still has its place and which we all know is still a very important factor in establishing the identity of a community, and I am referring to literature, what people write about us, and what is written elsewhere.

• (1645)

It is surprising to find such a provision in Bill C-70, because, on a number of occasions, here as elsewhere, the Liberal members, the members of the government, took a totally opposite stance. It is more than just a simple paradox.

When analysts, observers, journalists and even historians write history and look at what the present legislature produced, one thing will stand out: the fact that the government opted on a number of occasions for a strategy of camouflage, half-truths and about-faces in matters of importance.

We know how much the GST is a sore point with the government. First because of the Minister of Canadian Heritage. There are a number of terms to describe the personality of the Minister of Canadian Heritage. She is indeed a woman capable at times of kindness, but she is also capable of a ruse that was at the limit of honesty in connection with her government's promises.

I see my colleague, the member for Pontiac—Gatineau—Labelle, nodding in agreement. There is a lack of insight on the government benches.

It would have been interesting had the government used Bill C-70 to really dust off its honesty and ensure that its actions are more in line with the red book and its election promises.

I am sure all the members of this House realize that words like literature, knowledge, heritage, the value of the printed word, though abstract, refer to basic values. How can government members go for this kind of a bill?

If we were admitted into your private life, Mr. Speaker, I know we would find out that you have an impressive collection of books and that you have always been a man who believes in knowledge.

Why not adopt measures that will act as incentives toward acquiring knowledge instead of restrictive measures? Could someone explain that to us before the end of the day? Government members are awfully quiet today. It would be interesting to hear what one of them has to say. Perhaps the Minister of Transport will do the honours.

Perhaps the Minister of Transport will stand up and, on behalf of British Columbia as a whole, tell us why this government has chosen to slap down whole segments of the cultural industry? In the name of what rationale will educational institutions alone be exempt, I would like to know. I said educational institutions, but the bill actually talks about literacy.

The Minister of Transport is a man in his early fifties. He probably studied the great classics of our time in school. Would he have read them if, in those days, the constraints that make our taxation system unfair today had existed? We should take advantage of the presence of the transport minister, who is said to be among the moderates in cabinet and a man of sound judgement.

• (1650)

It would be interesting, and I will close on that, if the Minister of Transport stood up and, based on his experience as a man in his fifties, told us why it has been decided to use a bill like this one to deliberately limit exemptions applying to books to those bought by educational institutions and other organizations involved in literacy programs.

Is this not something of an insult to the intelligence of consumers? Does the Minister of Transport not realize that I for one—and the hon. whip can bear witness to the fact that my workload is on the heavy side, but I am not complaining—read at least one book every week? This makes me a seasoned consumer. I buy many books. Granted, not all of them are new.

Does the minister not recognize that this is a discriminatory factor, that it is a bias, that it goes against the principles governing the transmission of knowledge to not allow consumers to buy new and used books without having to pay the sales tax?

Does the minister not recognize that the Bloc Quebecois' proposal is extremely reasonable? Sure, you will tell me: ''Yes, but we did not have enough time to discuss it''. You are right because, once again, government members opted for a process which I find barbaric, if I can use that term. Indeed, we learned from our finance critic that 113 amendments had been tabled and that the Standing Committee on Finance only had three days to look at them.

This is a very harmful practice in a system where members are asked to do a good job and to make a thorough analysis of the wording of a bill.

My rather hope that cabinet and the government will review the bill and agree with the very reasonable arguments put forward by the official opposition. I believe a great cultural complicity is possible between the opposition and the government, if only some common sense were displayed in this House.

[*English*]

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I am here today to debate the Group No. 1 amendments to the GST-2 bill, the so-called harmonization bill.

Really we should not be here today debating this piece of legislation. I remember so clearly during the election campaign one Liberal after another, including the Prime Minister, state they would get rid of the GST, they would abolish the GST, kill the GST.

I remember listening and thinking it is going to be interesting to be there in the House of Commons to see how they will do that.

They decided after they got into government that they could not do it. Therefore to try to deceive Canadians they presented this harmonization bill saying ''we have done what we have promised, we got rid of the GST as we promised''. Of course, it will not fool many Canadians.

We have the GST. Now what we have is one GST for three provinces, the so-called harmonized GST-2. Then we have the old GST, the one brought in by the Conservatives, the one that was going to be killed by this government in the rest of Canada.

This promise made during the election campaign no doubt won this Liberal government many seats. There is no doubt about that. In Ontario 10, 20, 30 seats, who knows, were won by Liberal candidates because of promises to get rid of the GST. It was a key election promise. It is a promise that has not been delivered on in any way, in any state, in any fashion. This government must be held accountable for that. What we have is GST-2, a so-called harmonized GST.

• (1655)

We are here today to debate Group 1 of the amendments. It is hardly worth debating amendments to this piece of legislation. This legislation really does not warrant support in any way. By making these amendments it is not going to negate the fact that another promise made by candidates running in the last election, made by the Prime Minister before the last election, during the election campaign and even since the election promise to get rid of the GST, no number of amendments are going to overcome that fact, and that is a fact. This government does not seem to understand what integrity is. This is just another one of those issues that demonstrate that so clearly.

The promise, of course, has come back to haunt this government. We have had the Deputy Prime Minister, after talking to a bank machine, decide that she was going to step down. She did it because she knew she would not have a hope in heck of winning again during a regular election campaign if she did not. It cost the taxpayers $500,000 because she could not look that bank machine in the eye.

We have a finance minister that has asked for forgiveness for maybe not delivering on this key promise of the last election campaign. He said ''we made a mistake'' and he asked for forgiveness. But this is more than a mistake. A key election promise was broken. That is not a mistake. I do not think the taxpayers and the voters in this country should be forgiving. I do not think they should just let the finance minister get away with breaking a key promise.

We have the member for York South—Weston who was banished from the Liberal caucus by the Prime Minister because he kept insisting—he was member of Parliament for this Liberal government—that his own political party and his own government would see the light, would show some kind of integrity, some degree of integrity and keep that election promise. He was so determined that he was not going to be a part of this broken promise that he pushed the point until he was thrown out of the party. He is now sitting as an independent. He at least of all the hundred some Liberal members of Parliament had enough integrity to stand up for this constituents on this issue.

The member for Broadview—Greenwood temporarily went into self-imposed exile over this issue. He knew that it is wrong to break a promise and that Canadian voters no longer are going to just say ''oh well, we didn't expect you to keep this promise anyway''. They expect political parties when they are out on the campaign trail to make promises that they are going to keep, in particular the key promises. I think they should expect that all promises will be honoured but in particular the key promises like this GST which should certainly be honoured by the people who make the promises.

There is no doubt this issue is going to cost this Liberal government those seats that it won based on this promise and I think it is going to cost it a lot of seats besides. Canadians are absolutely sick and tired of politicians who say they are going to do something and they get down to Ottawa and they completely forget what they said they were going to do.

• (1700)

Thinking of the events of yesterday and today, Canadians have decided they are fed up with other things that take place in this House as well. Yesterday we heard once again a member from across the floor use a word and call one of my colleagues a racist. That is unacceptable. But we have been putting up with this for three years in this House. Words like that—

The Deputy Speaker: I do not know if the hon. member was in his chair earlier when the Speaker ruled that matter was finished. It was raised this afternoon. I do not mean to interfere with the member's freedom of speech, but I would urge and invite him to please let us treat that as a closed book for the interests of all members.

Mr. Benoit: Mr. Speaker, I certainly meant no disrespect by raising an issue that had been dealt with by the House. I could refer just as easily to many times in the past when this word has been used as a means of closing down debate.

Many times members of our party have been standing here, engaged in honest, open debate, trying to get our point of view across. We want to hear the opposition's point of view. We need that open debate, not just here in the House but across the country. So often debate has been closed down by members of the governing party hanging labels on us. That is unacceptable. It is a practice that hurts. It does not just hurt us, it hurts the people who are hanging these labels that end debate. It hurts democracy more than it hurts anything else.

In this country we must be allowed to have open and honest debate. Canadians expect that.

With regard to the harmonization bill, it is not going to get the government off the hook and the amendments are not going to fix the bill. No amendment could fix this bill. The promise must be kept.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I would like to remind members that we are talking about a group of amendments presented by the Bloc Quebecois, the purpose of which is to obtain a complete exemption from the GST on the sale or purchase of books.

It must be recalled that, even before the 1993 election, the delegation of Bloc Quebecois members here in the House had asked that books be exempted from the GST, in order to make culture as accessible as possible.

We can point to their partial victory in the fact that the GST will no longer apply to books purchased by institutions concerned with literacy. But there is still a vast array of books citizens can buy to which it continues to apply.

A government is entitled on occasion to make choices, to decide that it will pay particular attention to culture, that it will give a particular opportunity to those who write books, which are what make up a country's cultural life, which develop knowledge in our population. This is a wonderful opportunity, in the context of this debate on the GST, for the government to make this kind of decision, to give a boost to culture, to give an opportunity to those who, through reading, broaden their culture.

We are not just talking about people who are members of the establishment, but about all citizens, those who go to the bookstore on Saturday mornings with their children, and who could buy one or two more books, if there was no GST on them. This could be a way of broadening the culture of young people, while getting them

interested in reading in a much more acceptable and meaningful way.

● (1705)

The government would make a great contribution if it were to listen to an amendment such as this. Tenacity is perhaps one of the things which characterizes Bloc members. When something strikes us as appropriate, we stick to our guns until we get the government to listen to our arguments.

In the case at hand, I would not hesitate for a moment before choosing between giving $2 billion in geographical compensation to the maritimes and evaluating the costs of eliminating the GST on books for all Quebecers and all Canadians. I would offer Quebec culture and Canadian culture the opportunity for further development by making books more accessible.

It was natural for this message to come from the Bloc Quebecois. You know we represent the only francophone people in North America and we have always had a particular interest in defending our culture with a view to our development. Canadian society as a whole can benefit from this notion, moreover. We trust that the government will develop an interest in it and will evaluate whether it is worthwhile following up on.

Today, when we look at what will be important to our society in future, we realize that this is no longer a generation where brawn counts most. Employability no longer depends on muscular strength. What is important now is to make our younger generation well-informed, to awaken its interest in finding out things, to make it capable of mastering knowledge. Reading is one of the routes toward this.

It might be considered that GST exemption for books would be more of an investment than a cost for our society. I think it would be in the government's interest to consider the amendment proposed by the Bloc Quebecois when examining this bill at the report stage. This amendment ought to be the government's choice.

You will certainly counter by saying that if the decision is made to exempt books, we will come up with some other thing that will have to be exempted as well. Essentially, it is a question of political courage. It is a question of making the choice to provide a competitive edge to a sector that is of vital importance to Quebec culture, and to Canadian culture.

Will the government have the courage to make that choice? Will it in its wisdom conclude that exempting books from the GST is a significant and important decision that will have an impact on the development of our culture? I think there is a direct connection with the amount of tax we pay.

As you know, a 15 per cent tax may often be a factor in deciding whether or not to buy a product. People say this book would cost $40, but if you add the taxes, it is $45 or $46. If we are talking about a children's book worth $10, this means an additional $2. The parent or person who buys the book may decide not to or may not be able to afford it.

The House would do well to act on the proposal by the official opposition that would exempt all citizens from paying GST on the books they buy. This would certainly be an incentive to buy books and increase the sales of books by Quebec and Canadian authors. The direct impact of such a decision would be, in the case of authors who, often for many years, write more for the sake of writing than with any guarantee of making a living, an opportunity for the Canadian government to show that it recognizes the importance of these authors and the work they do, the importance of this literary production for the future of our society.

This change in the tax exemption for books is in the GST legislation. This is a typical example of the double standard that exists in this country.

● (1710)

The government decides to compensate the maritime provinces to a very significant extent for harmonization, while Quebec, where harmonization took place a few years ago, gets no compensation at all.

In a way this is an incentive for inefficiency, but above all, it creates a double standard regarding the development of the regions concerned. In fact, those two billion dollars will be distributed throughout the maritimes, for instance in the Madawaska ridings in New Brunswick, near the Quebec border. I think this may lead to unfair competition.

The federal government has decided to make changes in the GST. Let us take the opportunity at least, even if we may not entirely agree on the issue of compensating the maritimes, to make some significant changes. The Bloc Quebecois has contributed significantly in the consideration of the bill. It is proposing a number of amendments to improve the bill. The one exempting books from tax seems to me to appeal especially to the nobility of this House and to the respect for Quebec's and Canada's culture of each member of this House.

I hope the Liberal majority has the courage to listen to us and acknowledge the relevance of this idea. Everyone buying books in Quebec and Canada and everyone in the book industry, particularly authors, will take this to be positive recognition of their work. I hope, when the bill is passed, that people will remember the contribution made by the Bloc Quebecois over a number of years, from the time we sought a tax exemption for books. There will now be one for books sold to institutions.

We hope to continue this work until it is universal, until all books are exempt. Our culture certainly deserves to be exempt from this tax.

[*English*]

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it is a pleasure to speak to Bill C-70 which would harmonize and streamline the GST.

I am not going to deal with the obvious lack of credibility the government has on this issue. That has already been spoken about eloquently by my colleagues. However, I am going to demonstrate that the harmonization of the tax will have an enormous negative impact on the business community in Canada, as well as all Canadians, in particular those who strive to develop business and commerce within Canada.

It is obvious that the harmonization of the tax will have a huge negative impact on Canadians. It is estimated that harmonization will cost Ontarians $3 billion. It will cost three major retailers in the Atlantic provinces over $27 million. The Retail Council of Canada estimates that harmonization and streamlining the GST will cost retailers over $100 million a year.

That will not put Canadians back to work. It will not improve commerce in the country. It will not elevate people out of the egregious taxation system that we have in this country. It will do the exact opposite.

There are solutions, but the government seeks not to employ them for reasons that only it knows.

I cannot think of a tax which is more hated than the GST. There is no tax which compromises the ability of Canadians to use their entrepreneurial spirit, to be the best they can become and to provide for their families, their children and society than this tax. In fact, one-third of the GST is spent merely on its management.

The GST, to the small business people of our communities, is invasive and enormous. It has a strangulation effect on their ability to do business.

• (1715)

If the government would look back in history, it would see that when taxation levels were decreased and simplified it did not decrease the revenues that went into the public coffers, rather they increased. Furthermore, it gave a huge impetus to small and medium size businesses, those business which truly create long term employment in this country. It provided employment and stimulated the economy. If ever there was a time when we needed to decrease unemployment levels and give Canadians some element of security, it is now.

Again the government has chosen to ignore the good solutions out there to simplify and decrease the tax and the GST. For heaven's sake, decrease the GST and enable our businesses to employ their entrepreneurial spirit to become the best that they can become.

I encourage every member in this House, especially those in cabinet and those members on the finance committee, to go out into the trenches and speak to Canadians who are trying to struggle to become the best that they can be in the business community. So many businesses are closing and so many people are losing their jobs.

Many individuals cannot get work and many businesses cannot get on their feet because in part of the taxation system, its levels and complexities. That must change. It is strangling the life out of the Canadian economy. Let us look south of the border at the infusion and stimulation the U.S. has given to its economy by lowering taxation levels, keeping interest rates low and decreasing the morass of entangled, bureaucratic overregulation under which Canadian companies have to suffer.

This is no small point. Canadian companies from coast to coast have to struggle through three levels of bureaucratic entanglements to do business. I sympathize with them. If I were trying to start a business, quite simply I would not. I cannot imagine the courage it takes for them to attempt to get through and overcome the morass of bureaucratic entanglements merely to try to start up a business, hire people and provide for themselves and their families.

Our finance critic from Medicine Hat has put forth many intelligent, eloquent and substantive solutions so that this government can simplify the taxation system, decrease the taxation levels and provide an impetus to our Canadian economy. However, it has gone absolutely nowhere.

One particular short point I would like to make is with respect to how GST affects physicians in this country. People are supposed to be treated equally yet physicians are treated differently. They should be tax exempt under the Excise Tax Act because medical services, equipment and supplies which are necessary to deliver quality care are supposed to be GST exempt. However, of all the medical professions, only one is singled out to not benefit from this and that is the physician population.

The government should immediately enable physicians to be treated equally, not preferentially, but equally with all other medical professions. country. This government has failed to do that and continues to ignore their pleas for fairness and equity.

I must say I am getting absolutely disgusted with this House. This House is supposed to be an area of higher debate. This House is supposed to be a place where we are sent when elected to present the greatest and best solutions to the problems that affect Canadians across the country.

Canadians are crying out for answers yet what we see in this House at best is bad theatre. At worst, it is a shame on all of us to be engaging in the behaviours we see not only in this House but also in committee. We need a radically different view on how we conduct government in this country. We need to remove the control of the executive from the members in this House. Members from across party lines should be getting together, along the lines of what they

do south of the border in the United States, to bring forth the best possible solutions, solutions they could apply to the problems this country has.

• (1720)

There are good solutions across party lines, but we do not see the development of the best solutions applied to the problems of this nation; we hear petty pathetic insults going back and forth. That does not serve this House in any way, shape or form. Most important, it does not serve the Canadian people. There is a complete and utter disarticulation of the problems of people in this country and the high jinks that go on this House.

I hope every Canadian will find out about what is going on in this House. I hope they will make it their business to find out what is happening. I hope Canadians will put pressure on their elected officials to smarten up, get with the program and apply the best solutions to the problems that affect them. This includes not small changes but large changes.

We cannot continue with the form and structure of governance this nation has today and expect things to change. Nothing will change unless we have a radically different way of dealing with issues in this House. We must enable committees to be effective, enable public input at committees and allow them truly to be heard in the legislative process of this House. We must enable the good solutions that exist in the public to be applied to the debates and ultimately become the solutions that are desperately needed for the problems that affect us. Unless we do these things, we will not see the change this country needs and as a result, we will not become the truly great nation we have the capability of being.

I hope the government will listen to this, although I do not think it will. Most important, I hope members of the Canadian public make it their business in the coming election to get involved, to get interested, to get active regardless of their party affiliations. I hope they force their people to do what it is they want them to do.

[*Translation*]

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, I am pleased to speak to the Bloc Quebecois amendment to Bill C-70. I find it sad to have to propose an amendment to Bill C-70 to have books exempted. Taxing books is like taxing knowledge, taxing education, taxing skills.

Why is the Liberal government still taxing culture? Culture is the foundation of what we are, it is our identity, it is our roots. Culture is the Quebec culture, and it is also the Canadian culture.

In Quebec, since the introduction of the QST, all books have been exempted from the provincial sales tax, not just books acquired by literacy institutions or public libraries, but all books.

We also know the reason for maintaining the tax on books. For the information of our viewers, it is that the tax on books accounts for the greatest part of revenues generated by the GST. The government does not give a hoot about preserving our fundamental rights. The government thumbs its nose at both the Quebec culture and the Canadian culture. Its favours a system made for the rich. We, in the Bloc Quebecois, feel that it is unfair and unjust.

• (1725)

Our authors, the advocates of our languages and our cultures, have been critical of the fact that all cultural products are taxable. The government must promote cultural products and encourage our authors by abolishing GST on books.

I also want to speak of a political handout. In my view, Bill C-70 is a political handout. It is not a gift to Quebecers. It is something the Prime Minister and his Minister of Finance gave to the maritimes. It is something worth $1 billion.

As we know, this government never gives handouts without a reason. One can rightly conclude that there is a reason behind the handout, in fact I think there are two reasons. The first one is that the Prime Minister is trying to be forgiven for having broken his famous promise to abolish the GST. Whatever the cost, the Liberals wanted an agreement with the maritimes on GST harmonization, but whatever they may say to justify their actions, we are not fooled. They say they never promised to abolish GST, but everybody heard what they said. We will not be fooled.

During the 1993 election campaign, the main thing Liberal candidates said when presenting their platform, the first thing they said, was that the GST had to go. Everybody, across Quebec and Canada, heard what they said. Now, they boldly claim they never said that; Quebecers and Canadians were mistaken, they cannot have heard such a thing since it was not written in the red book. There is something wrong here. It is an abomination. We look like ignoramuses. We have been tricked, and it is our own fault because we did not hear right. We are not that stupid. I wonder how they dare justify breaking their promise by saying that we are the ones who misunderstood.

They made a big fuss about an agreement with three maritime provinces, saying: ''Look, this shows we are keeping our promises''. In fact, they did nothing of the sort, the GST is still here, even though it was supposed to be killed, scrapped, abolished.

The other reason why they are giving the maritimes such a handout is the unemployment insurance reform. As we know, it has not been well received in that area. To shore up its image, the government has decided to give them a $1 billion present by harmonizing the GST. This will placate critics of the new unemployment insurance program. The Prime Minister is handing out goodies to repair his government's tarnished record, just before calling an election, as we have witnessed lately. We know elections are not far away. The government is clearly on the campaign trail:

across Quebec, even in my own riding, it is handing out presents. Before, it had no money, but suddenly there is money. ''So, if you need any for your programs, let us know, we can help''.

• (1730)

At the Federal Office of Regional Development—Quebec they have money. They visit the ridings and give little goodies to the agencies. Since there is an election coming, the goodie is harmonization of the GST so that people will forget about the unemployment insurance reform.

However there is something special about that gift from the federal government. Unlike what normally happens, this time the federal government will not bear the cost of this pre-election handout. It will palm it off to Quebec and the other provinces.

In Quebec alone, the people will have to spend about $250 million to cover the cost of the federal handout to the maritimes. On the whole, that gift will cost Quebec and the other provinces one billion dollars. Needless to say, given the restructuring process going on, this sum could easily have served a better purpose.

Everybody knows that the Prime Minister had promised to slash the GST. We can even say the Liberals criticized that tax long before the last election campaign.

Let me quote the minority report on the GST presented by the Liberals in November 1989, when they were still in opposition: ''The Liberal members of the finance committee maintain that the goods and services tax proposed by the Tory government is bad and that no ''repair job'' of any kind will make it fair for taxpayers''. You can find that quote on page 283 of the report.

In closing, I would like to say that Bill C-70 itself is some sort of ''repair job''.

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, I am pleased to speak to Bill C-70 this afternoon. I am all the more pleased, and I am not doing this out of spite, to say a word about the experience I had when the federal tax was changed.

When the federal tax was changed, we had an all-out war from the Liberal Party, which was then in opposition. Liberal members were adamantly opposed to the tax they were calling the new federal tax, although this was completely untrue. It was not a new tax, it was a tax reform.

We must remember that there was a federal tax before. Having been in business for 20 years, I know how much federal tax I used to pay during those years. We were paying a 13 per cent tax on goods. The manufacturer billed the retailer for the tax. It was a hidden tax for the consumer. The consumer did not see this tax.

The Liberals, then in opposition, started saying that this new tax should not be hidden. They tried to convince people that the Conservatives, at the time, were creating a new tax. They made such fiery and intelligent speeches—I think what they did was smart, but dishonest—they managed to convince people that the Conservatives were creating a new tax, while the 13 per cent manufacturing tax went down to 7 per cent at the retailing level.

The end result was about the same. In 1989, for example, total federal tax revenues were about $18 or $19 billion, while the reformed tax, which we now call the GST, brings in about the same amount. The difference is that, at the time, the Liberals were still saying that this was a totally dishonest tax because it applied to books, food and drugs. They made a big fuss, saying it was an immoral tax, an absurd, unacceptable, outrageous tax.

• (1735)

In my opinion, the bill before the House is even more outrageous. We had time to think things over. We heard witnesses, made speeches, informed the people, evaluated all the possible effects of these amendments. We realize, in Quebec particularly, that this tax will, in fact, affect the development of Quebec culture, of Quebec's very sizeable book market.

Quebec is a French speaking country. We have many writers, authors, and creators, whose books are read by a great number of French speaking Quebecers. That is why we, in Quebec, feel that our rights and privileges are being denied.

In Quebec, our approach has always been to use the tax to promote made in Quebec products. Once again, we must observe federal standards. The federal government is dictating which products are to be taxed. Cultural products will be taxed, and this will affect the development of our economy, of our writers and authors. This goes directly and totally against Quebec's wishes.

In Quebec, when we say we want to be our own masters, to decide our own fate, it is because we believe that we will do better if we are allowed to solve our own problems and to promote what we feel is right, if we want to grow, to create jobs, to increase our intellectual and economic potential, and if we can better share our resources. In Quebec, we want to build a better future.

Once again, today, we realize that the federal government just decided unilaterally to tax books, a move that will hurt our creators, our writers, our authors. As we know, there is a tremendous potential in that area in Quebec. A large majority of books are written in our province. A lot of research goes into that.

Whether it is in the areas of new technologies, education or health, Quebecers read mostly books in French that are often written by French speaking authors from Quebec. Our experts will be hurt, and that will thwart the development of Quebec. That is why we oppose this legislation and this change that will be prejudicial to the development of our book industry.

We realize also that we are hurt by the fact that the government gave compensation to the maritimes to get them to agree to harmonize the provincial and the federal sales taxes. Elections are drawing near. Elections were held just recently in Prince Edward Island, and the Liberals were defeated. The current trend does not seem to be favourable to the Liberals. They do not enjoy great popularity. However, this is a great gift the government has given the maritimes. Some say it is as much as $1 billion.

Quebecers will have to pay between 25 and 30 per cent of that billion dollars. That could represent a cost of some $300 million a year Quebecers would have to pay because they have to pay their share of the bill. That is a tremendous amount.

• (1740)

That is why the finance minister requested a few months ago a $1.9 billion compensation for previous years, as well as all the costs incurred by the federal government to generously compensate the maritime provinces who agreed to harmonize.

And not only do we have to pay the bill for harmonization with the maritime provinces, but Mr. McKenna, the New Brunswick premier, is using that money to set up shop in Montreal in order to lure Quebec companies into his own province. He is using the money we gave the federal government to lure our companies away. This is not fair-play.

This is one more proof that Quebec has been striving for years to get more autonomy, but will never get anywhere if it does not have full sovereignty. Quebecers will never be able to develop normally if they do not collect all their tax revenues, pass their own laws and sign their own treaties.

Quebec has great intellectual resources as well as tremendous natural resources. It has more markets than it needs. The only missing thing is that we have not yet taken full responsibility for our economic and social endeavours. The reason we sit here is to protect our interests before we reach full sovereignty. When we cross that threshold, Quebecers will prosper and Quebec will be one of the wealthiest countries in North America.

Mr. René Laurin (Joliette, BQ): Mr. Speaker, we now have proof of what we have known since the very beginning and what we have so vehemently condemned: this bill on GST harmonization serves only one purpose, one political objective, to show the people that the Liberal government is keeping its 1993 campaign promise to scrap or change the GST.

They are fulfilling their commitment in three provinces, and as we also know, this gift to the maritimes will cost Quebec and Canadian taxpayers $1 billion. Moreover they are not considering the other impacts of this tax, which is not a new tax, mind you, only a hidden one. It is so well hidden that we will not be able to see it any more, since it will be included in the sales price. This will be seen as a despicable hidden tax because of its effects on some aspects of the lives of the taxpayers.

I want to dwell on the issue of education. Having been a teacher and a school board administrator, I know how vitally important books are for the development and education of children.

What better way to build a nation, to develop children, and to nurture our youth than to teach them how to read and then to encourage them to buy books to increase their knowledge, expand their horizons and learn how to see beyond their town, their city, their province, their country, and to communicate with the rest of the world?

• (1745)

The government wants to tax books as if they were luxury items. It wanted to look good by tax-exempting certain educational institutions such as universities, colleges and primary and secondary schools, but it is the institutions and not the books that are exempted.

If my child needs a book, I cannot buy the book from the school board. I have to buy it from a bookstore and pay the tax, since I am not an institution. The school board would not pay this tax.

A child needs books long before he or she enrols in school. Given the financial problems that school boards, universities and cegeps have today, they are less and less able to provide books for free.

They may be able to provide some books, but certainly not all of them. For example, is there a more important tool to learn our own language than a French or an English dictionary?

There are dictionaries in school libraries, but it is not practical to ask the teacher during class: ''May I take a couple of minutes to go to the library and check if such or such word is correct in French or in English?''

A school board cannot afford to provide dictionaries for each and every student because students use these books throughout their school years. Who will buy it? The parent will have to buy it at the bookstore. Even though the parent is a member of a family, this institution would not exempted from this tax on books.

The parent will have to pay, and just think of how much a dictionary costs. It is quite expensive. One can pay $30, $40, or $50 for a dictionary. If you add the federal sales tax on a $40 dictionary,

you will have to pay $2.30 to $3 more. If the parent has four children in school, he will have to shell out another $12. This is not an incentive. Parents may be tempted to give their children something else.

In the case of younger children, such as a two-year old or a three-year old, what could we give them, for example, to get them interested? What book could we give a two-year old who cannot read yet, but whom we would like to get interested in reading?

We start by getting him colouring books. Will this colouring book be taxed? And what if it is a picture book? If we want to get kids who cannot read interested in books, we start by showing them picture books to slowly introduce them to the world of books, to all the new things in books. It is a new world for this very young kid.

If parents have to pay tax on these books, it will not encourage them to choose a book rather than a toy for their children.

The purpose, and that is what Quebec did when it exempted all books from the PST, was to bring people to buy books instead of something else when they gave a gift to their children, or to make the necessary school books more affordable. With the tax, the incentive is not there. People will be penalized.

• (1750)

I mentioned colouring books and picture books, but when the child reaches three or four years, he likes to be told tales and stories. Some parents have enough imagination to invent these stories, but others need books. So, they buy children's story books. They read it with their children. They start teaching their kids to read. They get them interested in reading. They show them that literature is interesting. In elementary school, and especially in high school, when children are still searching for their own identity, books would be an excellent means to help them. But that is out of reach because we tell them: ''If you want to buy books, you have to pay more because the federal government decided to tax culture, to tax reading. You must pay more to get that access to culture''.

Those are the effects of the tax. Some will say: ''The impact will be marginal. Why would they refuse to pay 7 or 7.5 per cent more to buy books, since they pay it when they buy other items?''

When the government wants to make a difference, guide consumers' choices, help some businesses, it offers well targeted subsidies. For example, a business that wants to get into the environmental sector will get a grant that it would not get in other sectors.

The same goes for education and culture. If we want to promote that product, if we want children, teenagers and adults to buy more books, we must help them and not grant this privilege only to educational institutions.

By granting this privilege only to educational institutions, elementary schools, secondary schools, colleges, universities and other non profit organizations, the government just wants to be able to say: ''Here is what we have done with the GST; we have changed it. We even abolished the GST on books''. Again, this bill does not abolish the GST on books. It is false to say that. It is not books that are exempted from the GST, but certain institutions.

Even the exemption of certain institutions from the tax can raise some questions. Is the government not opening the door to a situation where some people could put pressure on institutions to avoid paying the tax? I imagine myself as a teacher telling a class of 30 students to buy a certain book for a literature paper. Since the book is not available at the school, they have to buy it. If I ask them to buy the book, I am penalizing them. If I do not ask them to buy the book, I cannot ask them to do that particular paper. I am forced to restrict my teaching because books are too expensive.

These are a few examples I wanted to give. I will have the opportunity to rise again on the other groups of motions and continue this speech.

• (1755)

[*English*]

The Deputy Speaker: The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

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

Mr. Williams: Mr. Speaker, on a point of order, I do feel rather sorry for you this afternoon, that you are being required to read these motions in their entirety. However, I would like to say to you, perhaps as an apology, that we were approached by the government side to give you unanimous consent to waive having to read all these motions. However, we asked if the government would ensure and guarantee that time allocation would not be introduced, which it did not. Then we unfortunately had to deny the unanimous consent. Therefore, Mr. Speaker—

The Deputy Speaker: The question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

An hon. member: Nay.

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

And more than five members having risen:

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

Mr. Campbell: Are we moving now to Group No. 2 motions? There will be a number of motions in Group No. 2.

The Deputy Speaker: Yes, 97 in fact.

[*Translation*]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ) moved:

Motion No. 3

That Bill C-70 be amended by deleting Clause 150.

• (1800)

[*English*]

Mr. Williams: Mr. Speaker, again I do apologize and I do feel rather sorry for your plight but, as I said, we would be glad to give unanimous consent to the government in order for you to be saved from having to read these into the record. However, we do ask in return that the government assures us that time allocation will not be—

The Deputy Speaker: On the same point of order, the hon. Parliamentary Secretary to the Minister of Finance.

Mr. Campbell: Mr. Speaker, I want to say to the hon. member opposite that we did suggest that we might dispense with the need to have the Speaker read all the amendments that he is now having to read as a result of their declining the opportunity for unanimous consent. The hon. whip for the official opposition did agree in discussions earlier but we did not have House agreement. Therefore, Mr. Speaker, you will have to read. I apologize as well.

The Deputy Speaker: I wonder if there might be a disposition to call it 6.30.

Some hon. members: No.

[*Translation*]

Hon. John Manley (for the Minister of Finance, Lib.) moved:

Motion No. 4

That Bill C-70, in Clause 150, be amended by

(*a*) adding, in the French version, after line 32 on page 165 the following:

''«activité extracôtière»

a) En ce qui concerne une activité exercée dans la zone extracôtière de la Nouvelle-Écosse, activité relativement à laquelle un impôt serait institué sous le régime de l'article 212 de la Loi de mise en oeuvre de l'Accord Canada—Nouvelle-Écosse sur les hydrocarbures extracôtiers si la présente partie comptait parmi les lois sur l'impôt indirect, au sens de l'article 211 de cette loi;

b) en ce qui concerne une activité exercée dans la zone extracôtière de Terre-Neuve, activité relativement à laquelle un impôt serait institué sous le régime de l'article 207 de la Loi de mise en oeuvre de l'Accord atlantique Canada—Terre-Neuve si la présente partie comptait parmi les lois sur l'impôt indirect, au sens de l'article 206 de cette loi.''

(*b*) adding, in the French version, after line 36 on page 165 the following:

''«province» Y sont assimilées les provinces participantes.''

(*c*) replacing, in the French version, lines 1 and 2 on page 166 with the following:

''«province participante» Province ou zone figurant à l'annexe VIII. La zone extracôtière de la Nouvelle-Écosse et la zone extracôtière de Terre-Neuve ne sont des provinces participantes que dans la mesure où des activités extracôtières y sont exercées.''

(*d*) adding, in the English version, after line 17 on page 172 the following:

'''Newfoundland offshore area'' means the offshore area as defined in section 2 of the Canada-Newfoundland Atlantic Accord Implementation Act;''

(*e*) adding, in the English version, after line 22 on page 172 the following:

'''Nova Scotia offshore area'' means the offshore area as defined in section 2 of the Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation Act;''

''offshore activity'' means

(*a*) when used in connection with an activity carried on in the Nova Scotia offshore area, an activity in respect of which tax would be imposed under section 212 of the Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation Act if this Part were one of the Nova Scotia Consumption Tax Acts (as defined in section 211 of that Act); and

(*b*) when used in connection with an activity carried on in the Newfoundland offshore area, an activity in respect of which tax would be imposed under section 207 of the Canada-Newfoundland Atlantic Accord Implementation Act if this Part were one of the Newfoundland Consumption Tax Acts (as defined in section 206 of that Act);''

(*f*) replacing, in the English version, line 24 on page 172 with the following:

'''or area referred to in Schedule VIII, but does not include the Nova Scotia offshore area or the Newfoundland offshore area except to the extent that offshore activities are carried on in that area;

''province'' includes a participating province;''

(*g*) adding, in the French version, after line 5 on page 173 the following:

''«zone extracôtière de la Nouvelle-Écosse» Zone extracôtière au sens de l'article 2 de la Loi de mise en oeuvre de l'Accord Canada—Nouvelle-Écosse sur les hydrocarbures extracôtiers.

«zone extracôtière de Terre-Neuve » Zone extracôtière au sens de l'article 2 de la Loi de mise en oeuvre de l'Accord atlantique Canada-Terre-Neuve.''

Motion No. 5

That Bill C-70, in Clause 150, be amended by

(*a*) replacing lines 6 to 8 on page 166 with the following:

''(iii) the tax under section 165 that would have been payable by the person, in''

(*b*) replacing line 14 on page 166 with the following:

''ported by the person, but for subsection 153(4), section 167 or the fact that the property or improvements were acquired by the person for consumption, use or supply exclusively in commercial activities,''

(*c*) replacing lines 27 to 29 on page 169 with the following:

''(iv) the tax under section 165 that would have been payable by the person, in''

(*d*) replacing line 33 on page 169 with the following:

''the participating province, but for subsection 153(4), section 167 or the fact that the improvements were acquired by the person for consumption, use or supply exclusively in commercial activities,''

● (1805)

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ) moved:

Motion No. 6

That Bill C-70 be amended by deleting Clause 152.

Motion No. 7

That Bill C-70 be amended by deleting Clause 153.

Motion No. 8

That Bill C-70 be amended by deleting Clause 154.

Motion No. 9

That Bill C-70 be amended by deleting Clause 155.

Motion No. 10

That Bill C-70 be amended by deleting Clause 156.

Motion No. 11

That Bill C-70 be amended by deleting Clause 157.

Motion No. 12

That Bill C-70 be amended by deleting Clause 158.

Motion No. 13

That Bill C-70 be amended by deleting Clause 159.

Motion No. 14

That Bill C-70 be amended by deleting Clause 160.

Hon. David Anderson (for the Finance Minister) moved:

Motion No. 15

That Bill C-70, in Clause 160, be amended by adding after line 31 on page 185 the following:

''(4) Subsection (2) does not apply to a supply of property or a service made in the Nova Scotia offshore area or the Newfoundland offshore area unless the supplier makes the supply in the course of an offshore activity or the recipient of the supply acquires the property or service for consumption, use or supply in the course of an offshore activity.''

● (1810)

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ) moved:

Motion No. 16

That Bill C-70 be amended by deleting Clause 161.

Motion No. 17

That Bill C-70 be amended by deleting Clause 162.

Motion No. 18

That Bill C-70 be amended by deleting Clause 163.

Motion No. 19

That Bill C-70 be amended by deleting Clause 164.

Motion No. 20

That Bill C-70 be amended by deleting Clause 165.

Motion No. 21

That Bill C-70 beamended by deleting Clause 166.

Motion No. 22

That Bill C-70 be amended by deleting Clause 167.

Motion No. 23

That Bill C-70 be amended by deleting Clause 168.

Motion No. 24

That Bill C-70 be amended by deleting Clause 169.

Motion No. 25

That Bill C-70 be amended by deleting Clause 170.

Motion No. 26

That Bill C-70 be amended by deleting Clause 171.

Motion No. 27

That Bill C-70 be amended by deleting Clause 172.

Motion No. 28

That Bill C-70 be amended by deleting Clause 173.

[*English*]

Mr. Campbell: Mr. Speaker, I rise on a point of order. I have a suggestion that might speed things up, although the hon. member opposite for the third party did not seem to be interested in speeding things up.

However, perhaps he might consider this, as my colleagues in the official opposition would. It appears these amendments from Motion No. 6 to Motion No. 117, which you are reading to us so well, all delete references in particular clauses to harmonization, so that the bill is restricted to simply making technical changes. The amendments proposed by the opposition in this block all relate to deleting references to harmonization. I may incorrect in that so you would want clarification from the opposition.

But if that is correct, one way might be to group them all by removing references in all those clauses to harmonization and maybe that would speed it up. Then we could get on to debating these motions.

Mr. Williams: Mr. Speaker, nothing would be nearer and dearer to my heart than to make this place work better. I note the words by my hon. colleague that he wants to speed the process up.

My point concerns why we denied unanimous consent to your not reading the motions. It is not speed that is important but that Canadians be heard in this Parliament. We would gladly grant unanimous consent provided we could have an assurance from this government that it will allow a reasonable debate until the people have been heard. When we have that assurance we will gladly give you the authority to table the motions all in one. But at the moment it is withheld.

• (1815)

[*Translation*]

Mr. Loubier: Mr. Speaker, I agree completely with my Reform colleague. This debate on the GST is very important. Quebecers and Canadians are entitled to obtain all the information surrounding this botched agreement, this political agreement involving the payment of a $1 billion subsidy to the maritimes.

Since you have started out so well, I would suggest, on behalf of the official opposition, that you continue. It is very interesting.

[*English*]

The Deputy Speaker: There is obviously no agreement on that issue.

[*Translation*]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ) moved:

Motion No. 29

That Bill C-70 be amended by deleting Clause 174.

Motion No. 30

That Bill C-70 be amended by deleting Clause 175.

Motion No. 31

That Bill C-70 be amended by deleting Clause 176.

Motion No. 32

That Bill C-70 be amended by deleting Clause 177.

Motion No. 33

That Bill C-70 be amended by deleting Clause 178.

Motion No. 34

That Bill C-70 be amended by deleting Clause 179.

Motion No. 35

That Bill C-70 be amended by deleting Clause 180.

Motion No. 36

That Bill C-70 be amended by deleting Clause 181.

Motion No. 37

That Bill C-70 be amended by deleting Clause 182.

Motion No. 38

That Bill C-70 be amended by deleting Clause 183.

Motion No. 39

That Bill C-70 be amended by deleting Clause 184.

Motion No. 40

That Bill C-70 be amended by deleting Clause 185.

Motion No. 41

That Bill C-70 be amended by deleting Clause 186.

Motion No. 42

That Bill C-70 be amended by deleting Clause 187.

Motion No. 43

That Bill C-70 be amended by deleting Clause 188.

Motion No. 44

That Bill C-70 be amended by deleting Clause 189.

Motion No. 45

That Bill C-70 be amended by deleting Clause 190.

Motion No. 46

That Bill C-70 be amended by deleting Clause 191.

Motion No. 47

That Bill C-70 be amended by deleting Clause 192.

Motion No. 48

That Bill C-70 be amended by deleting Clause 193.

Motion No. 49

That Bill C-70 be amended by deleting Clause 194.

Motion No. 50

That Bill C-70 be amended by deleting Clause 195.

Motion No. 51

That Bill C-70 be amended by deleting Clause 196.

Motion No. 52

That Bill C-70 be amended by deleting Clause 197.

Motion No. 53

That Bill C-70 be amended by deleting Clause 198.

• (1820)

Hon. David Anderson (for the Finance Minister) moved:

Motion No. 54

That Bill C-70, in Clause 198, be amended by adding after line 34 on page 228 the following:

''(4) Subsection (2) does not apply to goods imported by or on behalf of a person who is resident in the Nova Scotia offshore area or the Newfoundland offshore area unless the goods are imported for consumption, use or supply in the course of an offshore activity or the person is also resident in a participating province that is not an offshore area.''

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ) moved:

Motion No. 55

That Bill C-70 be amended by deleting Clause 199.

Motion No. 56

That Bill C-70 be amended by deleting Clause 200.

Motion No. 57

That Bill C-70 be amended by deleting Clause 201.

Motion No. 58

That Bill C-70 be amended by deleting Clause 202.

Motion No. 59

That Bill C-70 be amended by deleting Clause 203.

Hon. David Anderson (for the Finance Minister) moved:

Motion No. 60

That Bill C-70, in Clause 203, be amended by adding after line 20 on page 231 the following:

''(3) Subsection (1) does not apply to

(*a*) an imported taxable supply of intangible personal property or a service made to a person who is resident in the Nova Scotia offshore area or the Newfoundland offshore area unless the property or service is acquired by the person for consumption, use or supply in the course of an offshore activity or the person is also resident in a participating province that is not an offshore area; or

(*b*) an imported taxable supply of tangible personal property the physical possession of which is transferred, or that is delivered or made available, to the recipient of the supply in the Nova Scotia offshore area or the Newfoundland offshore area unless the property is acquired by the recipient for consumption, use or supply in the course of an offshore activity.

(4) For the purposes of subsection (1), a person that acquires property or a service for consumption, use or supply in the Nova Scotia offshore area or the Newfoundland offshore area is deemed to acquire the property or service for consumption, use or supply in that area only to the extent that it is acquired for consumption, use or supply in that area in the course of an offshore activity.''

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ) moved:

Motion No. 61

That Bill C-70 be amended by deleting Clause 204.

● (1825)

Hon. David Anderson (for the Minister of Finance) moved:

Motion No. 62

That Bill C-70, in Clause 204, be amended by

(*a*) adding after line 32 on page 233 the following:

''(4) Subsection (1) does not apply to property brought into the Nova Scotia offshore area or the Newfoundland offshore area by a person unless the property is brought into the area for consumption, use or supply in the course of an offshore activity.''

(*b*) adding after line 4 on page 235 the following:

''(4) Subsection (1) does not apply to a supply of property that is delivered or made available to the recipient in the Nova Scotia offshore area or the Newfoundland offshore area, or that is sent to the recipient at an address in the Nova Scotia offshore area or the Newfoundland offshore area, unless the property is acquired by the recipient for consumption, use or supply in the course of an offshore activity.''

(*c*) adding after line 18 on page 236 the following:

''(4) Subsection (1) does not apply to goods brought into the Nova Scotia offshore area or the Newfoundland offshore area by a person unless the goods are brought into the area for consumption, use or supply in the course of an offshore activity.''

(*d*) adding after line 15 on page 237 the following:

''(4) Subsection (1) does not apply to a supply of property or a service made to a person who is resident in the Nova Scotia offshore area or the Newfoundland offshore area unless the property or service is acquired for consumption, use or supply in the course of an offshore activity or the person is also resident in a participating province that is not an offshore area.

(5) For the purposes of subsection (1), a person that acquires property or a service for consumption, use or supply in the Nova Scotia offshore area or the Newfoundland offshore area is deemed to acquire the property or service for consumption, use or supply in that area only to the extent that it is acquired for consumption, use or supply in that area in the course of an offshore activity.''

Motion No. 63

That Bill C-70, in Clause 204, be amended by

(*a*) replacing lines 6 to 13 on page 234 with the following:

''(*a*) where the supply of the property was made''

(*b*) replacing lines 21 and 22 on page 234 with the following:

''(*b*) notwithstanding paragraph (*a*), in the case of prescribed property''

(*c*) replacing line 26 on page 234 with the following:

''(*c*) in any other case, the fair market''

(*d*) replacing lines 31 to 40 on page 234 with the following:

''province becomes payable on the day the property is delivered or made available to the person in the province.''

(*e*) replacing line 3 on page 235 with the following:

''(*c*) the property is a specified motor vehicle that is required to be registered under the laws of a participating province relating to the registration of motor vehicles or the property is included in Part I of''

Mr. Loubier: Mr. Speaker, so that you can catch your breath I will just say that the hon. member for Argenteuil—Papineau has agreed to second Motions Nos. 64 to 71.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ) moved:

Motion No. 64

That Bill C-70 be amended by deleting Clause 205.

Motion No. 65

That Bill C-70 be amended by deleting Clause 206.

Motion No. 66

That Bill C-70 be amended by deleting Clause 207.

Motion No. 67

That Bill C-70 be amended by deleting Clause 208.

[*English*]

Mr. Williams: Mr. Speaker, I rise on a point of order. The clock reads 6.30 p.m. That allows you to sit down and call it a day. We can come back to this tomorrow.

The Deputy Speaker: I have been watching the clock as well. I thank the member for pointing out that it is 6.30 p.m.

Mr. Campbell: Mr. Speaker, I understood that we were extended to 6.40 p.m. Is that not correct?

The Deputy Speaker: There is no reason that the Chair can see why the matter was extended and I am certainly not going to look terribly hard for one that I have not been able to find.

It being 6.30 p.m., the House stands adjourned until tomorrow at 10 a.m., pursuant to the standing orders.

(The House adjourned at 6.30 p.m.)

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