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Tuesday, May 25, 1999

Speaker: The Honourable Gilbert Parent

CONTENTS

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

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HOUSE OF COMMONS

Tuesday, May 25, 1999

The House met at 11 a.m.

Prayers

• (1105)

[*Translation*]

REPORT OF COMMISSIONER OF THE ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

The Speaker: Pursuant to section 23(3) of the Auditor General Act, I have the honour to table in the House of Commons the report of the Commissioner of the Environment and Sustainable Development for 1999.

[*English*]

This report is permanently referred to the Standing Committee on Environment and Sustainable Development.

It being 11.07, the House will now proceed to the consideration of Private Members' Business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

LEGALIZATION OF MARIJUANA FOR HEALTH AND MEDICAL REASONS

The House resumed from April 14, 1999, consideration of the motion, of the amendment and of the amendment to the amendment.

Mr. Bob Kilger (Stormont—Dundas—Charlottenburgh, Lib.): Mr. Speaker, discussions have taken place between all parties and the member for Rosemont concerning the taking of the division on Motion No. 381 scheduled at the conclusion of Private Members' Business today. You would find consent for the following:

That, at the conclusion of today's debate on Motion M-381, all questions necessary to dispose of the said motion shall be deemed put, a recorded division deemed requested and deferred until Tuesday, May 25, 1999, at the expiry of the time provided for Government Orders.

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

Some hon. members: Agreed.

[*English*]

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, the bill relates to something that is at the forefront of a number of people's minds. It deals with the legalization of marijuana for medicinal purposes.

Tragically there are a number of people in our country who are suffering from debilitating diseases or are in the process of dying who need hospice care and therapeutics to relieve their suffering. In some cases we have been unable to prevent the suffering they endure in their dying moments or in their time of need and some of those people have turned toward smoking marijuana to relieve that suffering.

We do not know if the effects of marijuana consumed under those conditions are due to a medical or therapeutic effect due to the intrinsic pharmaceutical property of marijuana or whether this is a placebo effect. As a physician, I personally do not care. In my view, if somebody is dying they should be able to participate in whatever it takes to relieve their suffering as long as it does not hurt anybody else.

We have no interest in legalizing marijuana or any other currently illegal drug for general consumption. Some would disagree, but the reason for this is that there is an overwhelming body of evidence to show that marijuana is a harmful drug.

There are over 200 substances within marijuana. Some of those substances do have a detrimental effect to a person's functioning in the short term and in the long term. This is particularly profound among children who sustain cognitive disabilities as a result of the chronic consumption of marijuana. We have no interest whatsoever in furthering that. In fact, we would like to prevent it. The bill deals with the medical use of marijuana.

Private Members' Business

• (1110)

The government needs to work with the medical community and stakeholders to ensure there is a well defined group of people allowed to use marijuana under certain conditions. We do not want this to become a loophole whereby people can say they have a headache and need to take marijuana.

I congratulate the Minister of Health for asking the Department of Health to undertake studies on the medical effects of marijuana under these circumstances. We would like to do our best to ensure people are taking substances based on good medical science and not for other reasons.

Another problem in our country is how we are dealing with the overall drug consumption. We tend to try to manage these problems rather than to prevent them. I have spent quite a bit of time working in drug rehabilitation and detox centres. What we are doing right now by and large simply does not work. Our response to the terrible problems that drugs are inflicting on our society is to try to prevent this when teenagers are doing it or when adults are doing it. We try to deal with the management of the problem rather than dealing with children very early on in trying to prevent it.

We, along with other countries, invest a lot of money internationally trying to deal with the countries that are producing it. We try to deal with the peasants in Columbia and in southeast Asia who are producing and growing poppies in order to get money to put bread on their tables. Who can argue with these very poor people who want to be able to grow these drugs in order to survive? I would argue that most people in similar circumstances, being faced with abject poverty and an inability to care for themselves and their families, would do whatever it took to ensure that occurs.

To invest money on that side is a losing proposition and we have been unsuccessful. We spend a lot of money dealing with the producers of drugs rather than dealing with the demand. We and other countries must focus more on preventing the consumption within our own countries of illegal substances such as pot, heroin, cocaine, Ritalin, T's and R's and a kaleidoscope of illegal drugs used by many people. If we put more money into prevention to deal with the demand within our own country the supply would have to dry up. If nobody would want to consume the substances production would have to stop. Rather than investing huge amounts of money in drug interdiction in other countries like Columbia, Burma and others, we need to look closer to home and try to deal with our consumption.

We found out that if we start dealing with children very early on when they are eight to ten years of age, we will get the best bang for our buck. Dealing with children early on will have the most profound effect on our future ability to prevent children and therefore adults from consuming drugs. The head start program has had a profound effect in parts of our country, in particular in Moncton, New Brunswick, and in other parts of the world such as Ypsilanti, Michigan and Hawaii. The Minister of Labour has been a

leader in pursuing this as has the secretary of state for youth who has taken a very big interest in this issue and has pursued it with great vigour.

If we all get behind the concept of a national head start program that uses existing resources, we can start dealing with children in the first eight years of life. We will deal not only with consumptive practices in teenagers and adults, but we will also try to address the very important issue of fetal alcohol syndrome, fetal alcohol effects and the effect of drug consumption while a woman is pregnant. This is no small problem. The leading cause of preventable brain damage in our country is fetal alcohol syndrome. It is epidemic.

• (1115)

The problems for people suffering from fetal alcohol syndrome cannot be understated. These people have an average IQ of 68. They have physical deformities. They have a number of other problems such as cognitive deficiencies. When children who have FAS or FAE go to school, their ability to interact with their peers, to study in school and to concentrate is marred forever. They have irreversible brain damage.

When the child tries to interact at school teachers are often ill equipped and under tasked to deal with them. The child becomes marginalized. The child does not get the help the little one needs and progressively becomes more isolated. Developmental and behavioural problems occur which can manifest themselves not only in behavioural problems at school but also tragically can lead to drug consumption and criminal behaviour.

It is a terrible vicious cycle which is very difficult to break. Imagine if that cycle could be broken and the child's brain had never been damaged by being subjected to alcohol and drugs in utero. The child would have a fighting chance and could potentially be on a much more level playing field.

I implore the government to look at the national head start program. Look at what the Minister of Labour has done. Look at what the Secretary of State for Children and Youth is doing on this issue. Work with members across party lines to prevent social problems rather than to manage them. The benefits of doing this are dramatic on a number of levels. They found a 50% reduction in youth crime and a 40% reduction in teen pregnancies which is a one-way route for poverty usually for both the mom and the child. They found a massive decrease in welfare. Children stayed in school longer.

In short, the head start program dealing with existing resources, strengthening the parent-child bond, teaching parents how to be good parents, learning the importance of play, discipline, setting boundaries, ensuring that children's basic needs are met, the importance of nutrition for a growing child all sound basic, but members would be surprised how many communities across the country lack them. We have to address this now. The longer we do not deal with the preventative aspects for children in the first eight

Private Members' Business

years of life, the longer we will have the tragic situations we see in so many communities today.

In closing, the motion is a good one. It needs to be applied to the medicinal use of marijuana. We would like to see medical studies to substantiate this. We would also like to ensure that this is not going to be a route to legalizing marijuana which we are opposed to.

Ms. Elinor Caplan (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, I would like to address the control of marijuana today from the legislative standpoint and legal obligation. The legislative challenges are imposing but the government is committed to meeting them. The focus of my debate today will be exclusively on the use of marijuana for medical purposes and on the legislative and international commitments to which Canada is deeply committed.

The medicinal use of marijuana is not only a complicated medical and legal issue, it is a complicated legislative issue. Any move to relax controls over cannabis brings into play domestic laws and international treaties, violations of which bring very serious consequences. The legal realities cannot be ignored. That is why I am speaking to the subamendment that has been proposed. It is troublesome from the obligations and legal realities especially of international treaties.

Should marijuana be used for medical purposes it must be done without undermining domestic efforts to control the illicit marijuana market. Canada cannot contravene important international agreements that combat the global trade of illicit drugs. In view of this commitment as well as many other concerns, the government is now preparing a plan specifically intended to help Canadians who are suffering facilitate access to marijuana for medical purposes only.

• (1120)

Allow me to outline these legal obligations and how our agenda for research will address them in Canada.

Cannabis is controlled under the Controlled Drugs and Substances Act and the narcotics control regulations. The CDSA has a clear purpose to control substances that can alter mental processes. These are substances that can harm the mental health of individuals in society if used and distributed without appropriate supervision. The CDSA therefore prohibits the production, importation, exportation, distribution, sale and possession of marijuana in Canada.

The narcotics control regulations meanwhile permit exceptions to the control of substances if certain conditions are met. The regulations authorize the granting of licences to permit the manufacture, import, transport and distribution of narcotics, including marijuana, for medical and scientific purposes. The current regulations therefore permit the use of marijuana for medical and

medicinal purposes. The narcotics control regulations contain mechanisms to grant appropriate licences and so on and so forth.

In short, the use of marijuana for medical purposes is already possible, provided the product is of good quality and originates from a licit, that is a legal, licensed supplier and is distributed and used in a proper scientific or medical context. That is where we run into the complexity of this issue. We face many difficulties relating to the securing of safe, legal, that is licit, and reliable sources of marijuana for medicinal purposes.

Canada must comply with international obligations under a series of treaties designed to control drugs worldwide. I will expand on this very briefly. For cannabis to be used in therapeutic situations it must originate from a legal source and be of medicinal quality.

The government cares and has compassion for Canadians who are suffering from serious illnesses. For this reason our plan will include access to a safe quality supply of marijuana. We do not want Canadians to gamble with their health in using drugs of unknown quality and drugs which may in fact do more harm. As well, its distribution would need to comply with the requirements of the food and drugs act and regulations to ensure product safety, efficacy and quality.

Health Canada is exploring avenues to provide Canadians with access to medicinal marijuana in a controlled medical setting. In fact Health Canada has already taken the initiative of exploring and possibly securing legal, licit, quality sources of marijuana for medicinal use for the vital research we want to conduct.

There are a few countries, the United States and others, where marijuana is being legally cultivated in limited quantity under strict government control specifically for its use in research. Researchers can obtain marijuana from those sources. The domestic supply here in Canada is also being explored.

The cultivation of marijuana in Canada however involves more than domestic health and safety issues. International obligations must be met. Marijuana is controlled primarily by the 1961 United Nations single convention on narcotic drugs. Canada is a signator and we have ratified that convention. Under this and other conventions, Canada is obliged to exercise control over production and distribution of narcotics and psychotropic substances. We must combat drug abuse and illicit trafficking and report our activities to international bodies. These are our treaty obligations.

As well I would point out that at the present time there is no scientific evidence on marijuana's medicinal values and the safety or efficacy of marijuana. This has not been established in any country.

The government is committed to enabling scientific research into the potential benefits and hazards of marijuana. We want to compile the needed evidence to meet our legislative challenges, and they are many as I have outlined, but more important to help

Private Members' Business

Canadians who are suffering and those who are terminally ill and who feel medicinal marijuana might be of benefit to them. We want to help. It must however be done without compromising Canadian standards for health, safety and security.

I am sure hon. members would agree that this is a prudent yet compassionate and carefully considered plan of action.

• (1125)

[Translation]

Mr. Maurice Dumas (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, I am pleased to speak to Motion No. 381, presented by my colleague from Rosemont, which reads as follows:

That...the government should undertake all necessary steps to legalize the use of marijuana for health and medical purposes.

As the Bloc Québécois critic for seniors and seniors' organizations, I would like to congratulate the Fédération de l'âge d'or du Québec, the FADOQ, which has supported the application for the legalization of marijuana for health and medical purposes.

It has indicated its support by encouraging the Minister of Health to work expeditiously in this matter. The federations' decision was unanimous, that is 18 members of its 18 member board of directors espoused the cause, while noting that they did not encourage the use of drugs either natural or synthetic.

I should mention that the federation represents nearly 275,000 seniors in Quebec and that its outgoing president, Philippe Lapointe, a very lively 85-year old, is from my riding of Argenteuil—Papineau—Mirabel.

In addition, we note that seniors are speaking out more and more. They are defending their ideas and their rights. This year, 1999, has been declared the International Year of Older Persons, and this week is seniors' week. I would also like to mention that the fourth World Conference on Aging will be held at the Montreal Convention Centre from September 5 to 9, 1999.

I reiterate my request to the public at large, so we may obtain as many signatures as possible on the postcards the Bloc Québécois sent out to make people aware of this issue. In fact, the Bloc Québécois send out over 10,000 postcards, and the response has been positive.

People cannot be insensitive to the suffering of thousands of people in ill health. Many patients who might use this medication are currently forced to take many pills a day and are at risk of becoming sick to their stomach. In a 1997 CTV-Angus Reid poll of 1,500 adults, 83% of Quebecers and Canadians were in favour of legalizing the use of marijuana for health purposes.

The National Pensioners and Senior Citizens Federation, the Canadian AIDS Society, the Canadian Hemophilia Society, the Coalition québécoise des organismes communautaires de lutte contre le sida, and the dailies *Le Soleil*, *Le Devoir*, *Le Droit*, *The Globe and Mail* and *The Ottawa Citizen* all support this initiative.

This is an issue of compassion. The chairwoman of the board of the Vancouver Compassion Club, an organization with a membership of over 700 individuals, also supported the motion. She signed the postcard sent to federal parliamentarians, asking them to support the motion to legalize the use of marijuana for medical purposes. The club is a non-profit organization which has been providing safe and high quality marijuana since 1996 to seriously ill individuals.

I addressed this issue on December 9, 1997, before the House of Commons Standing Committee on Health. At the time, I asked the Deputy Minister of Health to provide clarifications on the use of marijuana for health purposes in the fight against AIDS, to alleviate the suffering of AIDS victims.

I raised this issue following representations made by Jean-Charles Pariseau, of Hull, who regained some strength after inhaling marijuana. Mr. Pariseau is a terminally ill AIDS patient. He uses marijuana to relieve nausea and stimulate his appetite. His attending physician, Dr. Donald Kilby, from the University of Ottawa's health services, supported his representations.

Today, Jean-Paul Pariseau will be protesting in front of Parliament, here in Ottawa, and I want to salute him and reiterate my support for his cause.

• (1130)

Fortunately, there are some judges who are showing some compassion. The Ontario court has already found part of the Narcotics Act to be unconstitutional, particularly where the use of marijuana for health purposes is concerned. Another Ontario judge has recognized the right of a Toronto man, Terry Parker, to grow and smoke marijuana for his own medical use.

It is hard to call upon judges to make a decision on a societal debate. It is unacceptable for a chronically ill person to be liable for six months in prison, in addition to a \$1,000 fine, for using medication that may have been recommended to him by his physician.

As I said in my first speech in this House on the legalization of marijuana for health and medical purposes, there have been a number of changes in federal policy on drugs in Canada. The first federal legislative measure in this area, in fact, dates back to 1908 and was particularly aimed at those who smoked opium.

The Minister of Health needs to do more than mandate federal public servants to submit a plan including the holding of clinical trials. He seems incapable of setting any real and reasonable deadline.

In conclusion, I must again point out that this is a matter of compassion. I am proud that the Bloc Québécois has raised this matter for the first time with Motion No. 381 by my colleague from Rosemont, and I strongly encourage all hon. members to support this motion.

[English]

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Mr. Speaker, I rise on behalf of the New Democratic Party to thank the member for Rosemont for bringing the motion forward.

It was interesting to hear the government side speak about the fact that we must concentrate on health care and health care matters when it was the Liberal government that took \$21 billion out of health care spending and replaced only \$11.5 billion after five years. In many ways I wish the government would back up its statements and arguments with the resources that are required.

It is also ironic the Minister of Health recently said that there would be studies and clinical tests on the medical use of marijuana for those who have serious illnesses. It is just being done now. Marijuana has been around for thousands and thousands of years and in 1999 the federal government is to conduct studies and clinical tests on the use of marijuana for medicinal purposes.

I do not think any one in the House could actually dictate to people who are seriously ill, who have AIDS and other ailments of that nature, what they should and should not do to feel better. Yes, we have to put precautions in place. Yes, we have to make sure that the safeguard of all Canadians, especially when it comes to their health, is paramount in any decisions that the House makes or in any recommendations from individuals.

However, we have to take ourselves out of our suits once in a while and place ourselves in the position of those people who are severely disabled through various diseases, especially, for example, when it comes to the issue of AIDS.

In the United States 36 states out of the union have passed legislation endorsing the medical use of marijuana despite a federal U.S. ban. I am sure that ban is in place as the member from the Liberal Party indicated. There are cross-country obligations and international treaty organizations which have to be adhered to in the legal matter. If the Canadian government really wished to and if the people of Canada were really behind it, ways could be found to speed track the issue forward so that relief could be found for those people.

As the father of two young girls there is no question I am very concerned about the future of Canada, what substances will be adhered to, what will be in the schools and playgrounds and

Private Members' Business

everywhere else. The relaxation of any concern when it comes to their health is very serious.

We should try to assist people who are seriously ill and have relied on alternate means of remedies to achieve relief from their pain and suffering. This is one reason the motion brought forward by the member for Rosemont is very appropriate at this time.

• (1135)

I wholeheartedly encourage the government to go forth with its studies in terms of the medicinal use of marijuana. I encourage the member for Rosemont to continue the debate to bring this very serious issue to the forefront.

These are issues which a lot of people do not like to talk about because they give the perception of being seedy subjects. People think we should not be talking about issues of this nature. The House of Commons is exactly where issues of this nature should be discussed and where regulations and legislation should be passed. This is where people on all sides of the debate should have an opportunity to discuss such an important subject.

I trust we will have a pleasant time in the House for the next four weeks as we debate this issue and many other important issues brought before the House.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I thank my colleague from Nova Scotia for the brevity of his remarks so that I might participate. I say at the outset that the Progressive Conservative Party agrees with comments which have been made with respect to Motion No. 381 put forward by the member for Rosemont. This is an issue of compassion.

A very important comment was made by a previous speaker regarding the government's tendency to borrow opposition motions and previous governments' initiatives. Although no one has a patent on good ideas, Canadians have witnessed a government that has established a record of policy plagiarism.

The hon. member for Rosemont brought forward a motion which calls upon the government to bring about change in our health care system, our medical practice, that would allow for the medical prescription of marijuana in pain control. The most important point to keep in mind about the issue is that the motion is aimed at those who are affected and are currently suffering from very serious illnesses such as AIDS, cancer, MS and glaucoma. These individuals are suffering every day and it appears very little can be done with current medical procedures to ease the pain and ease the mind, particularly knowing that many of these diseases are fatal.

Forcing people to acquire a painkiller like the currently illegal marijuana certainly adds to the mental anguish. We are on the horns of a classic dilemma. We have a legally restricted activity, a social wrong that was created by law, yet a humane need to ease suffering.

Private Members' Business

I want to be clear. My position or that of the Conservative Party should not be mistaken as advocating drug use for any non-medical purpose. In fact it is quite the contrary. We are advocating a shift in the approach taken to the enforcement of drug use, particularly marijuana that is used for a very limited purpose, that being the medical tranquillity of suffering.

The key words here are health and medical purposes. We are talking about the compassionate use of a substance which is presently illegal in all circumstances. A number of substances are currently being used in the practice of medicine which are prescribed by doctors quite often to control pain, substances such as codeine, morphine and heroin which are perfect examples of drugs that in other circumstances would certainly be deemed illegal. Heroin, for example, has been used with a doctor's prescription since 1985 to ease the pain and suffering of Canadians fighting side effects of illnesses.

We can separate crime from medicine with very definitive, decisive laws. Further research may lead to a chemical production of a byproduct of marijuana which might be taken in a different form, that is taken orally through a pill. The use of a drug to relieve pain in those suffering from terminal illnesses, not for recreational use, is the aim of this motion. Delay in bringing this about will cause further pain and suffering for those afflicted.

On May 6 Jim Wakeford, a Toronto man suffering from advanced AIDS, applied for and finally received permission from Health Canada to use marijuana after fighting in the courts for years. Courts have recognized the humane need. Legislators like the Parliament of Canada should lead, not follow, on an issue such as this one. We cannot make criminals out of those needing our compassion or those who are trying to ease suffering.

• (1140)

The Compassion Club of Vancouver, also mentioned in the debate, supplies marijuana at no cost, free, solely to ease the pain of sick people on the lower mainland. This club is illegal but receives referrals from agencies of individuals suffering from AIDS or multiple sclerosis. It is a secure environment with a very good quality of marijuana, unlike that often found on the streets which might be laced with another substance.

The health minister promised in March that he would take steps toward helping seriously ill Canadians who require medical access to marijuana. The guidance document makes no reference to the severity of illness. It does not distinguish between terminal and non-terminal cases. There is a number of ambiguities.

The health minister is simply taking too long. Hilary Black, the Compassion Club founder, has stated that the slow speed of the minister's initiative means that more people will have to come into

her clinic. Those individuals will continue to suffer until legislation is passed.

A fast response and a strict guide or criteria are needed, as is a clear definition that doctors' prescriptions will be granted therefore avoiding litigation, confusion and further delay.

A number of facts about marijuana have been touched upon already. One matter to keep in mind is that when it comes to glaucoma it reduces eye pressure, which reduces pain. It reduces spasms in victims who are suffering from multiple sclerosis. It reduces nausea in the treatment of cancer patients. It helps alleviate depression and regain appetite in those suffering from AIDS. There are no real side effects, aside from some dulling of the senses. As we know, some of the side effects from the horrific treatments which are undergone, in particular I am thinking of radiation, are sometimes worse than the actual symptoms of the illness the patient is suffering.

The Canadian Medical Association since 1981 has advocated the decriminalization of the possession of marijuana. It is encouraging to see that we in this place and in other parts of the country are finally catching up. The Canadian Police Association has taken a very positive view of this step. There are certainly noble reasons to permit the medical use of marijuana.

The Canadian Medical Association however recommends that the federal government, with respect to the jurisdictional aspect, move toward changes in our Narcotics Control Act and our Food and Drugs Act to keep up with this current trend. This position raises concerns about the herbal medicine aspect and the fact that it cannot be patented. The association states that there is a possibility that there will be exploitation of research if guidelines are not put in place. The government can address these problems and make changes to other legislation which will have to be amended.

There is also concern, I might add, on a number of levels, one being the chemical content that may come into play. These plants vary from plant to plant with respect to dosage. There is also concern about the standardization and the reproductibility of clinical trials which will be problematic when it comes to putting the medical use forward. It would be almost impossible to conduct blind trials without having some consistency in the approach. There is also concern about the delivery of the drug and it not being reliable from patient to patient as the dose depends on the delivery technique.

These are obviously scientific matters that will have to be addressed in order for there to be consistency and in order for there to be safety, one of the underlying elements which always has to be kept in mind.

There is concern as well about research in this area. Quality research, random control trials and a guide to decision making are very appropriate when it comes to the needed standardized ap-

proach. There is no consistency in terms of the product available at this time. The dosage, the length of use and the possibility of addiction are areas that will have to be further researched.

Different drugs will have a different effect on individuals. There is also the aspect of the synergistic effect that marijuana might have when taken in conjunction with other chemicals and in consideration of a person's bodily make-up.

The patient's perspective is something that has to be emphasized. A person who requires marijuana and feels the physical need to use it to reduce suffering even with the mental effect it has certainly legitimizes the efforts to move toward the decriminalization of marijuana for this very limited purpose.

We cannot ignore that drugs are a consistent problem in today's society, but this is not a step toward legalizing marijuana in its entirety. I do not advocate that position at all. With the checks and balances that are needed there seems to be an opportunity before us. If the government is diligent and forward looking in its approach I am sure we can move this matter forward.

• (1145)

We support this initiative cautiously and encourage the government to move swiftly and decisively. I congratulate the member for Rosemont for taking this initiative and we look forward to further debate on the issue before the House.

[Translation]

The Acting Speaker (Mr. McClelland): Pursuant to the order adopted earlier today, all questions necessary to dispose of the said motion are deemed put, and a recorded division deemed requested and deferred until the expiry of the time provided for Government Orders later this day.

[English]

Orders of the day will commence at noon.

SUSPENSION OF SITTING

Ms. Marlene Catterall: Mr. Speaker, I think you might find the consent of the House to suspend the sitting until 12 noon.

The Acting Speaker (Mr. McClelland): Is that agreed?

Some hon. members: Agreed.

(The sitting of the House was suspended at 11.46 a.m.)

• (1200)

[Translation]

SITTING RESUMED

The House resumed at 12.00 p.m.

Government Orders

GOVERNMENT ORDERS

[Translation]

PUBLIC SECTOR PENSION INVESTMENT BOARD ACT

Hon. Marcel Massé (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved that Bill C-78, an act to establish the Public Sector Pension Investment Board, to amend the Public Service Superannuation Act, the Canadian Forces Superannuation Act, the Royal Canadian Mounted Police Superannuation Act, the Defence Services Pension Continuation Act, the Royal Canadian Mounted Police Pension Continuation Act, the Members of Parliament Retiring Allowances Act and the Canada Post Corporation Act and to make a consequential amendment to another act, be read the third time and passed.

He said: Mr. Speaker, Bill C-78 is a necessary piece of legislation which makes major changes to public sector pension plans. This bill substantially alters our pension plans as we know them today.

I would like to start by addressing the beneficiaries of those plans, who may have heard, among the various arguments advanced in recent weeks, a number of falsehoods surrounding the amendments the government is planning to make. Please allow me to set the record straight.

First, our employees must know that all the benefits for which they have paid throughout their careers will be fully guaranteed and maintained. There will even be certain improvements under the new legislation, which will result in better benefits.

At the end of the day, the government decided to act, its primary interest being to safeguard and improve the financial future of these pension plans. Our employees and those who have retired from the federal public service can thus be assured of the future of their pension funds.

There is no doubt in my mind that our current public sector pension plans must be brought in line with the new realities.

[English]

We have been and always will be concerned about fairness both toward our current and past employees and toward taxpayers. Historically, under the Public Service Superannuation Act, the government and its employees have shared the cost of the pension plan according to a 60:40 ratio. The increase in CPP contributions has gradually changed this ratio which is now 70:30 and which would have reached 80:20 in 2003 if the government had not decided to act now.

Government Orders

The government really wants to ensure the long term viability of these pension funds and to improve their financial management. The government also wants to ensure a more balanced relationship between employees' contributions to these funds and those put in by the government as the employer. This is a question of justice and equity for employees and for Canadian taxpayers, which is the very reason behind Bill C-78.

[*Translation*]

The three current pieces of legislation that govern public sector pension plans impose limitations that other governments and certain private sector firms have already eliminated. We are a government that is respectful of the individual and, as such, we must be fair and equitable with all.

It is difficult to justify that government employees are sheltered from increases to CPP while other citizens are not. It is also difficult to justify that Canadian taxpayers must continue to pay a larger and larger share of the pension plans of government employees as well as finance any possible deficits in those plans.

It is also unfair that taxpayers should be paying more and more to provide for their own retirements while public servants are paying less and less. The principle of fairness must be the same for our employees as it is for Canadian taxpayers.

In recent years, the pension plans of the public service, the Royal Canadian Mounted Police and Canadian Forces have accumulated a surplus of approximately \$30 billion.

• (1205)

I have said it before and I will say it again: this surplus belongs to the taxpayers of Canada since they have covered and absorbed all the deficits incurred by the pension funds of government employees. They have assumed all the risks.

[*English*]

Bill C-78 will thus make it possible to take into account both surpluses and deficits and will establish mechanisms for disposing of future surpluses. Existing surpluses will gradually be reduced to an acceptable level over a period of up to 15 years.

What would happen in future if surpluses were to accumulate? It would be the Treasury Board's responsibility to determine how those surpluses would be used; for example, by a reduction of contribution rates.

Naturally, if there were to be a mutual agreement to share the risks with employees, I am certain we could establish a co-management arrangement to share any potential surpluses in the future.

[*Translation*]

Bill C-78 will also ensure the long-term financial viability of our employees' pension funds by establishing a public sector pension

investment board, which will be charged with investing future employer and employee contributions in the financial markets. Investing contributions in diversified portfolios will yield a better rate of return, thus guaranteeing a better future and controlling increasing costs.

This new board will be completely independent of the government and the participants in these plans. It will thus be entirely free in its investment decisions. Other public sector pension plans in Canada have already been investing contributions in the financial markets. This board will be of benefit to our employees.

[*English*]

Our employees have nothing to lose and everything to gain with this new organization. If the performance of the investments I have just spoken of fail to meet expectations, I can assure employees that they would receive the same pension as that provided for under the plan to which they have contributed during their careers.

The government guarantees the integrity of the benefits provided through its employees' pension funds. Bill C-78 re-establishes equity between taxpayers and government employees in terms of the funding of these pension plans. It strengthens the long term viability of the plans and will endeavour to reduce the costs for all contributing members.

Bill C-71, the Budget Implementation Act, also proposes improvements to the Public Service Superannuation Act, the Canadian Forces Superannuation Act and the Royal Canadian Mounted Police Superannuation Act.

In the future pension benefits will be computed on the basis of the average annual salary for the five best consecutive years covered, compared to six years under the current plan. In simple terms this means better benefits for our employees.

[*Translation*]

Bill C-78 sets out a series of technical amendments, which will enhance the benefits associated with the pension plans of federal employees. It will also reduce the contribution rate for the supplementary death benefit plan and the employees' group insurance plan and will increase benefits.

Bill C-78 will also grant survivor benefits to same sex partners. The Government of Canada would thus be making the provisions of these pension plans similar to those of several public and private sector plans. For example, I am thinking of the Ontario municipal pension employees retirement plan, or similar plans which have been modified in New Brunswick or in Saskatchewan. I can even think of private companies like Sears, Dow Chemical or Shell.

Furthermore, I would note that the approach adopted in Bill C-78 is supported by the recent Supreme Court of Canada decision in *M vs. H*.

• (1210)

I am satisfied that the changes we are planning to make to the three public sector pension plans are realistic and fair.

I would also remind the House that we consulted with our partners, including the unions, over a long period and were unfortunately unable to reach an agreement on the reforms that needed to be undertaken.

[English]

For a long time we have needed to take action and we have taken action. This bill is fair and equitable for both the beneficiaries of these plans and for Canadian taxpayers. This bill will modernize and improve public sector pension plans. I am also fully satisfied that the majority of government employees firmly believe that the government is acting to protect and improve their future retirements.

I hope that all members of parliament will see the necessity for the government to act now, will support the government and will vote in favour of this legislation.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, before I start I wonder if you would seek unanimous consent for me to share my time with the member for Calgary Centre.

The Deputy Speaker: Is there unanimous consent for the hon. member to share his 40 minute speech and divide it into two 20 minute sections?

Some hon. members: Agreed.

Mr. John Williams: Mr. Speaker, I find it rather strange that the President of the Treasury Board would stand and tell us how virtually all the civil servants are behind Bill C-78 and that it is going to be a wonderful thing for the civil servants, the employees of the government, to find out that their employer is going to take \$30 billion out of their pension plan. He says they feel good about it. I wonder who he has been talking to. I do not think that very many civil servants are enthused about the idea of the government raiding the pension plan to the tune of \$30 billion.

The minister talked about the fair and equitable contents of this bill. I draw the attention of members to an article which appeared in the *Globe and Mail* today on page 2. The headline reads "Old RCMP pension plan leaves widows stranded". It states:

Twenty-nine days after Eva Fisk's husband died in 1991, she received a letter from the RCMP. The letter said her husband Albert, a Mountie for 22 years, had not left her a pension. The letter also said she was no longer covered under the federal health-care plan.

Government Orders

"It was horrible, so I threw it out", said Ms. Fisk, now in her late 70s and living in Victoria. "I was cut off".

If the minister is so concerned about fairness and equity, I would have thought that he would have provided some redress for this particular situation where widows of RCMP officers are left high and dry with absolutely nothing. Based on the rules of the pension plan in the past they are left with nothing.

The article continues:

The RCMP pension plan was amended in 1949 to improve survivor benefits, but participation came with a price for non-commissioned officers and constables.

Lower-ranking Mounties were required to cash out their principal payments and give up the accrued interest they earned in order to join the new plan. Mounties promoted to commissioned-officer ranks were entitled to keep their benefits under the old plan without cashing out their principal payments.

We have very clear discrimination between commissioned officers in the RCMP and non-commissioned officers and constables who were left high and dry and who were forced to cash out their pension plans, give up all the interest they had earned, while the commissioned officers were able to keep all their money plus the government interest and roll it into the new plan. Has Bill C-78 provided redress for this issue? Absolutely not.

• (1215)

It is unfortunate that the minister would use such words as fair and equitable when talking about this legislation. When their husbands die, widows of members of the most respected police force in the world, the Royal Canadian Mounted Police, are left high and dry with nothing.

I talked with the department involved and it said they opted out of the pension plan. They did not want to provide for their widows and orphans. They made that election. If they were single and subsequently got married, they were again given the offer. It is rather strange that we would have the situation where people could leave their family members high and dry and the government would agree to it. It cannot be fair.

I asked the department to assure me that members were given the option to opt in to the widows and orphans section of the pension plan when they married. It said absolutely. Back in those days a person had to ask his employer, the RCMP, for permission to get married. He could not go to the local church and get married without getting permission from his employer.

We have come a long way. People no longer ask for their employer's permission to get married. Common law situations are recognized. Bill C-78 now extends that to same sex relationships. It goes beyond that to basically any relationship of any kind is going to qualify.

I was speaking to a person this morning who asked about the situation of two people sharing an apartment, that one could claim to be the survivor of the other. I said yes but the person could

Government Orders

dispute that. We are talking here about survivor benefits. When a civil servant dies and is in the graveyard, his companion or roommate, even though there was no conjugal relationship, could claim survivor benefits and nobody could dispute it. As I have said before, the lawyer before the committee indicated they were going to take the person's word for it. Therefore, even if there was no conjugal relationship, we are going to have to pay benefits in that situation.

It seems that the government wants to have its cake and eat it too when it comes to same sex benefits. It wants to have any relationship whatsoever qualify for survivor benefits, but at the same time it has narrowed it down by defining it as conjugal and cohabitation. How it intends to police that, it really has no idea. It intends to leave it up to the courts.

I think of the *M. v H.* decision that came down last week. It concerned the Family Law Act of Ontario and dealt with the definition of spouse. The definition as far as I understand it in section 29 of the Family Law Act is either people who are married or a man and a woman living in a conjugal relationship for three years.

Bill C-78 deals with pension plans and defines a relationship as conjugal and cohabitation for one year. I understand there are some circumstances where cohabitation for six months qualifies as a common law relationship. I am wondering how soon it will be that after a one night fling one's pension will be at risk. I am sure that would take some of the enthusiasm out of one night stands. The point is we have to look to where we are going as far as these issues are concerned.

In 1949 if a person wanted to get married he had to ask his employer for permission. That went by the wayside. Then people did not bother to get married. Then it did not matter that it was the opposite sex. Then it did not matter how long the relationship lasted and now it is down perhaps to as low as six months. Goodness knows where it is going to end up.

• (1220)

That is the issue we see on the slippery slope where Bill C-78 is not fair and equitable. It wants to hand out money anywhere and everywhere on relationships that cannot be defined, that cannot be policed, if I may use that terminology.

I am at a loss. It is very disappointing. We as parliamentarians are in the House debating a new law of the land. I expect it will become the law of the land because the government is going to ram this bill through later today. Regardless of what we say in the House and regardless of the fact that about eight members on the government side voted against this bill, it is going to get rammed through.

The other day I was reading the *M. v H.* decision the supreme court brought down last Thursday. It referred on several occasions

to parliament's wishes and that parliament knew what it was doing when it passed the legislation.

Here parliament is expressing its serious opposition to this bill that was drafted by the bureaucrats, 200 pages of technical, detailed, complex legislation. The bill would have been passed through committee in 15 minutes had there been the chance but I was able to slow it down to four hours. This is not parliament expressing its will. This is parliament being railroaded into rubber stamping what the government wants.

I would hope that is on the record because if, as and when this is ever challenged in court, I would never want the courts to say that parliament freely expressed its wishes and opinion on this particular issue, because its opinion is irrelevant. It is being railroaded into approving something that has not been analysed, debated or thought through. We have not examined the ramifications of where it is leading us.

We are going to find Bill C-78 finished and voted on in the House of Commons tonight. The government has organized it by cracking the whip and saying "You will be here to vote for the bill". For those who would like to do otherwise, I understand there are all kinds of incentives to be in other places. We will find out whether they have accepted these invitations later on this evening. What can I say, Mr. Speaker? It is a travesty that the House which should approve the legislation is being forced to endorse the government's legislation.

The \$30 billion is another issue which I find rather contemptuous. There is a \$30 billion actuarial surplus in the plan today because of a fortunate coincidence that has brought several factors together.

Inflation has come down quite dramatically yet because the money is invested in 20 year bonds the return on the plan is still very high. Because there was a six year wage freeze the cost of pensions has been reduced. Salaries were not so much reduced, but their growth was less than anticipated through the wage freeze. Therefore, pensions are less than anticipated, hence the cost of pension payouts are less than anticipated. Because inflation is down, the cost of pension payments in future years will be reduced. This is the largest fully indexed pension plan existing in the country today. If inflation is down, the cost of these pension payments over the next number of years is going to be reduced.

It is not because of overcontribution by the government. It is not because of overcontribution by the employees either. It is just that these fortunate circumstances have come together to create an actuarial assessment which leaves more money in the plan than otherwise required.

• (1225)

The government wants to take that money. It wants to take the money that was contributed by itself and the employees. It is very

Government Orders

distasteful that it would help itself to money put into the plan by its very own employees. In the private sector it is totally illegal. It would not be allowed under any circumstances.

Bill S-3 that was passed by the House a year or two ago laid out specific rules for taking out a surplus from a plan if there was such a surplus. There had to be a vote by the membership. A 50% vote by members was required to remove the money under certain circumstances. In other circumstances it required a two-thirds majority of the members before the employer was allowed to take the money out.

The President of the Treasury Board has told us that many of the members support this. Why did he not put this to a vote? The government imposed that restriction on employers and refuses to apply it to itself.

I again register my opposition to the government's taking \$30 billion out of the plan.

There are two other major fundamental issues in the bill. One is to split the payment of CPP and pension contributions into two payments rather than one. Until now civil servants have contributed 7.5% of their salaries as a combined payment to CPP and the pension plan. The government has introduced very dramatic increases in the CPP contributions over the next number of years, increases as large as 73%. If the CPP contributions were to go up, by obvious correlation the contributions to the pension plan would go down. The government says it cannot have that. It wants to put them on the same footing as all other Canadians where they have to pay the CPP contributions and the pension plan as two separate payments.

We do not have any problem with that, but we do have a problem with the fact that it will now increase the civil service employees' contributions to the pension plan from about 30% to 40%. The minister tells us the employees are not accepting any of the risk of the plan yet they will pay a whole bunch more into the plan. The government by definition will pay a whole bunch less into the plan. And the government says it is carrying the risk. It cannot be.

The other one is the privatization of the plan. The money will be invested in the private capital market rather than in government bonds. Perhaps that is not a bad situation. We do not dispute that there is an opportunity to make more in the private sector but we do know that sometimes less can be made in the private sector.

If the plan makes less and the employees are contributing to the plan, they are sharing in the risk. They share in the risk if the return is lower. The value of the plan may not be as high as it should be or could be. Therefore they have to cover their 60:40 split of contributions to the plan to ensure it is a viable plan.

Lots of arguments can be made for the employees sharing in the risk in the plan yet the government would say there is none.

I do not think the government is being honest and forthright. It is certainly not allowing enough debate on this bill. It is 200 pages of complex legislation. It went through committee in less than four hours. Closure has been introduced twice on this bill. What can I say? I call it the great run at the brick wall where the government feels that because it wants to do something the House has to endorse its position.

• (1230)

I find that rather odious. I object to it. I would certainly hope that the bill would be defeated this evening, although I doubt it will because we know that when the government wants something it gets its members to fall in line, much to my disgust.

Mr. Eric Lowther (Calgary Centre, Ref.): Mr. Speaker, I add my applause for the member who just made a well reasoned argument regarding Bill C-78. He pointed out some very significant shortcomings in this piece of legislation.

I would like to build on some of the points he made this morning. For those listening and those in the House, let us be clear on what we will be voting on later today. The bill talks about changes to who will manage and oversee the pension funds for federal government employees, what will happen to surpluses that may accrue to the fund, and who will be eligible for benefits.

Through Bill C-78 the government will appoint a board which will be removed from the auditor general's oversight and no longer subject to access to information legislation. Bill C-78 will allow the federal government access to any surpluses in the pension plan provided the federal government, that is the taxpayer, commits to making up the shortfall in the pension plan in the future.

In brief, Bill C-78 proposes to remove the funds from public accountability and let the federal government spend the surplus today with the taxpayer guaranteeing to make up future shortfalls in the fund. These are not false accusations. It is the truth. Every Liberal will probably dutifully do as they are told and vote for it. Constituents will not know the reasons and will not understand all the nuances.

I want to address another aspect of the bill before us which deals with expanding the benefits. It is on this aspect that I will direct the remainder of my time for it is here the government has grossly misrepresented its intent.

When a contributor to a pension plan dies the benefits go to his or her surviving husband or wife. The bill proposes to maintain this provision, which is good, but it will extend the benefits beyond this point in a new way. The government has said its intent is to extend

Government Orders

the benefits to same sex relationships as well. This is not what it has done.

There are many types of same gender relationships: siblings, friends, roommates, partners, et cetera, but the only relationship the government wants to include is when two people of the same gender are involved in private sexual activity or what is more commonly known as homosexuality. No sex, no benefits, even if everything else is the same.

More important, Bill C-78 benefits will be extended to any person who has had, as the bill says, "a relationship of a conjugal nature with a contributor" regardless of sex, male or female, two males or two females. The bill refers to the phrase "a relationship of a conjugal nature".

According to *Black's Law Dictionary* conjugal means sexual activity. That is how every major Canadian dictionary defines it, but the bill does not define it in any way. It has added a new legal expression, a relationship of a conjugal nature with absolutely no definition of what it means. We are left with assuming it means what the Canadians dictionaries mean.

The government seems determined to make private sexual activity between anyone the primary condition for benefits. This is the focus of the substantive section of the bill.

To further illustrate the point, it was interesting to note that during the debates on the bill the Liberal member for Scarborough Southwest realized that the changes to the bill were specifically designed to extend benefits based on the sexual activity between two men or two women. The bill also excludes those without sexual activity but who may still be dependent on each other. He proposed an alternative. The amendment was intended to leave sexual activity out of the benefits equation altogether. Benefits, according to his amendment, would be extended based on dependency relationships and sexual activity would not be a criteria for benefits.

● (1235)

The member's government ruled his amendment out of order and struck it down, effectively insisting that the expanded benefits had to be based on homosexual activity in order to qualify. This is not a same sex benefit bill; it is a sexual activity bill. The new part of the bill extends benefits only when there is sexual activity between two people of the same sex.

I have in my riding an elderly gentleman who has a friend who was down on his luck, a senior who was living on a very meagre pension. The wealthier person took in his friend. They have been sharing accommodation for years. They basically share everything in that household. They have a very deep friendship, but it has never even crossed their minds to have any kind of physical intimacy in a sexual way.

The bill totally excludes that kind of relationship. The only way for the survivor benefit to be extended to the person who otherwise might be dependent on the public purse is for them to enter into some sort of physical intimacy which they do not want to entertain.

The amendment by the member for Scarborough Southwest would have taken sex out of it and based it on dependency, he said. The Liberal government said no. It ruled effectively that private sexual activity between people of the same gender is now the requirement for new benefits within Bill C-78. This is from the same government that said it would not do so.

I will reference some comments made by various cabinet ministers in the government across the way over the past few years. I will start with one from the current justice minister.

On April 24, 1998 in a letter to a constituent she said that she continued to believe it was not necessary to change well understood concepts of spouse and marriage to deal with any fairness consideration the courts and tribunals may find. Yet they have proposed legislation that has removed every reference to spouse, wife, widow, and has gone to new terminology.

The current health minister when he was the justice minister spoke in the House. He said that notwithstanding sexual orientation was a ground within section 15 of the charter on which discrimination was prohibited the benefits did not automatically follow. That was the law.

On January 21, 1999 the Prime Minister said in an editorial in the Lethbridge *Herald* that it was not on the agenda of the government at the time when he was asked about spousal benefits to same sex couples.

When asked about extending these benefits the member for Scarborough—Rouge River was not convinced that there was either broad based political support or legal justification for major changes in the current paradigm.

They say one thing and yet we are faced with legislation today which seems to contradict exactly what they told the public and what they stated in response to questions on this topic. This is the same government which is now bestowing benefits based on sexual activity between two people of the same gender.

I am attempting not to purposely overstate this and not to be sensational. I am reporting simply on the effects of the change in Bill C-78. If Canadians do not believe me they can contact me and discuss it with me. What I am saying is clear in the legislation and in the actions of the government.

My colleagues in the Liberal government will probably vote later tonight in favour of sexual activity benefits and not same sex

benefits. Is this how we serve our constituents? Does this serve the best interest of those who have put us here?

• (1240)

Beyond the invasion of privacy concerns, I have some personal concerns about how the bill violates those who are sent here to serve. Some may not like what I have to say but I think it is the truth. If we cannot state the truth in the House, I do not know where we can do so anywhere in the country.

It is well documented that physical sexual intimacies between persons of the same gender result in much higher rates of serious illness, particularly when two males are involved. Statistics show that people involved in this kind of activity have a life span just slightly over half a normal life span. From a study out of the United States it has been shown that suicide rates are 25 times higher than the norm.

If we really care about people, why are we requiring people in the same gender relationships to be engaged in sexual activities to qualify for benefits? Why are we making benefits contingent upon behaviours that generally speaking have been shown to work against the personal health and best interest of those involved?

I questioned the treasury board minister in committee. He responded that the courts made him do it and lawyers wrote it this way. Does the government serve the people by letting the courts set policy and lawyers draft the legislation? In the whole process people are left out. Is that what members opposite will vote for tonight?

We live in busy times. The bill will be voted on tonight under the cover of the war in Kosovo, Y2K, tax issues and bank mergers. An ever increasing number of issues overwhelm the daily lives of those who are trying to pay the bills, raise the kids and get some R&R. They will not notice all this.

The vote today will very likely go unnoticed. The significance of Bill C-78 will be lost in the flurry of activity of life in the information overload age. The bill will likely go unnoticed by those who put us here to serve them.

I remind members opposite and all other members in the House of something I saw in the Speaker's chambers. I know that every word spoken in the House is recorded and bound in volumes which are kept there. Everything we say and every vote are recorded. In a sense it is our accountability. In a sense we might say it is the legacy we leave to families or those who follow who may want to reference what we said and where we stood on issues.

I ask members to consider their votes tonight on Bill C-78. Surely we can do better than Bill C-78. The bill needs to be sent back for a redraft which puts the needs of all people first and includes respect for the personal privacies of people and their tax dollars.

Government Orders

If the government is intent on drafting legislation to allow benefits to flow to relationships between two people of the same gender, to make benefits contingent upon their having some sort of sexual relationship, it is in my view inappropriate. Is it not more reasonable to focus on demonstrated interdependencies and the social contribution of the relationship when considering benefits rather than the private physical intimacies of the persons being considered? I encourage all members of the House to send Bill C-78 back for an improved redraft.

In summary, the bill has three key strikes against it. First, it removes the management of public pension plans from public accountability with an appointed pension board, no auditor general review and no access to information. Second, it allows the federal government to access any surpluses in the fund with the guarantee that taxpayers will make up the difference if there is a shortfall in the future. Third, it extends survivor benefits outside marriage dependent on private sexuality regardless of gender.

• (1245)

Three strikes. Three strikes and we should send this bill out. Let us send it out and call on the government to bring forward an improved version, an improved version that makes some sense and actually serves the people who worked so hard to put us here.

[*Translation*]

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, allow me to start my presentation as I did all my speeches on this topic, two weeks ago.

What is remarkable with this government and with the bill before us is how the government ended up imposing its view on this issue. We are increasingly wondering about the type of democracy that prevails in the House of Commons. I am primarily alluding to the government's way of doing things by always silencing the opposition through closure.

The other day, Reform Party members told us that the government used closure 53 times. I imagine this figure applies to the past two parliaments. Based on the figures that we have, from 1997 until now, closure was used 24 times regarding bills reviewed in the House of Commons.

One has to wonder. Does this House truly have the opportunity to do an in-depth review of the bills? It seems that when the government has a priority, it just wants to pass the related legislation. When the government is faced with some opposition, it resorts to closure, to a time allocation motion, and tells us "Unfortunately for you, it is over. This is how we want to proceed. If you are not happy, discuss the issue during the few additional hours that we are giving you and then it will be over and we will vote on the legislation".

Government Orders

This is what I call the tyranny of the majority. Unfortunately, this tyranny does not exist only in the House. We regularly experience it in the committees as well. I am a member of the Standing Committee on Aboriginal Affairs and Northern Development and I note that, in committee, when the government wants to pass a bill and seems to consider that enough is enough, the majority automatically steps in.

I have nothing against the majority, because I think that democracy must function with a majority, but excessive imposition of closure on the opposition makes me think that democracy is sometimes in doubt. In fact I would say that it is definitely in doubt. Two weeks ago, in debates, they did this on a number of occasions.

I thought it important to begin my speech today by saying that, with this bill, closure was once again imposed at second reading, at report stage and is now being imposed at third reading.

By the end of this evening, the members of the government and ourselves will decide the fate of \$30 billion, which should belong to the employees. The government imposed closure and is now going to tell us that it is going to take this \$30 billion. I find that absolutely deplorable.

I also want to speak of the government's arrogance. When the bill was introduced, the government House leader was all smiles, not only at imposing closure on the opposition, but also at continuing the tradition of imposition in Ottawa, with these employees, in these terms "We are taking over the \$30 billion, we are not negotiating with you, we are the ones deciding. The people elected us, and we are deciding that there is a \$30 billion surplus in this fund. There will be no discussion with you of sharing. We are taking it and we will see about it afterwards". Not only is the government using closure to excess, but it does so with considerable arrogance.

If I look at the way it is done in the case of other pension funds, it is clear that, when a government that is both judge and jury—the government is the legislator and the employer—decides that there is too much of a surplus or that it wants to change employee contributions, the situation is very delicate.

I do not want to say that, in Quebec, we are better than elsewhere, but the tradition in Quebec is one of negotiation, which is not the case in Ottawa. While negotiations may be long at times, they may be difficult, pressure may be exerted, a negotiated solution is still better than an imposed one.

• (1250)

Recently, I read through a study in which the government was trying to find out why public servants are so dissatisfied and no longer motivated at work. If one looks at the government's behaviour over the last few years, or even the last few decades, one

can see that it very seldom negotiates with its employees. It lets collective agreements drag on even after they have expired, adds 1 or 2% and finally imposes a settlement. On top of that, it limits job action even though it is allowed under the Canada Labour Code.

Job action is allowed in a democracy. When workers are dissatisfied, there are legal means of expressing their dissatisfaction. These are provided for in the Canada Labour Code. Striking is one of them, and job action is another. But this government does not give people the opportunity to use those means. Moreover, as I said earlier, it is both employer and legislator.

Its strategy is very simple. By blocking negotiations or delaying them it forces workers to take some kind of job action. Then it brings in special legislation—like the one passed the other day—to impose a settlement, arguing that employees are holding the state hostage, which, by the way, is absolutely false. The government does not give people the opportunity to carry through the bargaining process.

Let us come back to the infamous special legislation brought in by the government not too long ago, when we spent the night here so the government could force public servants back to work. I give this example because it is particularly outrageous. Personally I found that the President of the Treasury Board was adding insult to injury when, at two in the morning, he came and told us that an agreement in principle had been reached with government employees.

Instead of letting the process run its course and saying "We have done our part; it is now up to the workers to approve the agreement in general assemblies", the government added insult to injury by allowing debate to continue all night and forcing the employees back to work anyway.

That goes to show the government's attitude, which is to continually impose its views not only on its employees but also on the opposition, always using drastic means like legislation to force public service employees back to work and closure to gag the opposition. That is totally unacceptable and that shows arrogance.

The President of the Treasury Board, who is the sponsor of the bill, just spoke in support of his bill. I would say he hardly spoke more than 10 minutes. Of course, hon. members have limited time to speak, but anyone who does not have much to say and wants to slip a bill through discreetly and rapidly does not spend much time talking about its legal and moral implications. The present government has no moral values and that is why the President of the Treasury Board talked only ten minutes about his bill at third reading.

I would like to quote a statement made by the President of the Treasury Board not so long ago. In 1996, he asked for consultations on the pension plan. He said:

Government Orders

Consultations could lead to a partnership that would establish in the public service the concept of a management committee at arm's length with the government.

But what did the President of the Treasury Board do? Exactly the opposite of what he said in 1996.

In 1998, it was announced in a press release by the Treasury Board Secretariat that the government had agreed to a number of recommendations made by the advisory committee in a report that was the result of four years of painstaking work by union representatives, retirees and government officials. That is what was said in the press release of the Treasury Board Secretariat in 1998.

Now, through the President of the Treasury Board, the government has done exactly the opposite of what it said it would do. When a government sets up an advisory committee, one really has to wonder.

• (1255)

It has said to its employees: "A small surplus seems to be building up, and maybe we should sit down and discuss this". What did the government do, in the end? Through the bill before us, it is grabbing whatever it feels like. The government is making off with \$30 billion.

This leads me to talk about the government's management practices. What kind of management has the Liberal government been practising since it came to power in 1993 and since it was re-elected in 1997?

I have been listening to the finance minister. Like I said, *Star Wars* is now very popular, and we have long waiting lines outside movie theatres. I feel that the finance minister is the Darth Vader of this House. I will explain why later. His shadow can be seen everywhere he tries to put his hand on surpluses. Whenever funds generate surpluses, the government cannot wait to get its hands on them, and the Minister of Finance always has a say in the matter.

Let us look at how the government has been managing things these last few years. First, it said "We have agreed on a certain proportion of transfers to the provinces". The province of Quebec, for instance, has lost some \$2.5 billion in just a few years.

The government simply decided to cut transfers to the provinces. That created a huge problem for the provincial governments in their own areas of jurisdiction, that is to say anything having to do with health, education and, as far as we are concerned, welfare. That is what they called the CHST.

The government agreed to transfer some funds to the provinces to help them solve these problems. What happened was highly predictable. When the provincial governments, including Quebec, received less than they expected, problems started to emerge: crowded emergency wards, lack of equipment, personnel cuts,

budget cuts for health institutions and education. Welfare programs were also affected.

Provinces were crippled by the government's decision to cut transfers. The federal government was able to start reducing the deficit. They kept bragging, saying "This is remarkable. See how well we can manage public affairs".

Darth Vader himself, the Minister of Finance, came to tell the House "See how we are putting the economy back on its feet—extraordinary". Transfer payments were the first step: less money transferred to the provinces means more money for the federal government.

The other question that can be raised concerning this government's management style relates to the employment insurance fund. A huge reform has taken place. Before, when people lost their jobs, seven out of ten of them qualified for employment insurance. Now that number is 3.5, or nearly 4. Half of those who used to be eligible no longer are.

As well, this fund is increasing by \$6 billion or \$7 billion every year. Perhaps \$25 billion have gone into the government's pockets in recent years. That same reform also resulted in people having to pay into employment insurance regardless of how many hours they work. In the past some were excluded, for instance students with weekend jobs. Now students and others with weekend jobs have to pay starting with the first cent they earn. They have to pay, but what is shocking is that they will never be able to qualify for benefits.

This fund is continuing to grow and the Darth Vader of this House continues to say that he is managing public funds very well. Several billions are not being transferred to the provinces and end up in the kitty, the EI fund. The government continues to pocket between \$6 billion and \$7 billion every year.

Another question on the way the government is managing things, getting back to the matter of its employees once again, is the whole business of pay equity. The President of the Treasury Board performed intellectual gymnastics with this. It is incredible how flexible he can be in the stances he takes.

The Liberals initially acknowledged the problem a little bit. Then they were told "You have to pay these people". During negotiations, the people said that the government probably owed them between \$2 billion and \$7 billion, because the women in the federal public service are paid less well than in other sectors of employment. This has been proven.

• (1300)

The President of the Treasury Board kept trying to push back the deadline. He began by saying that he would wait for the decisions on this issue for other sectors of the economy, which would certainly have an effect on the government's position.

Government Orders

These decisions were made public a long time ago. There is the problem of pay equity. It has been corrected elsewhere, but it has yet to be corrected by this government. The House's Darth Vader continues to say "The way I manage this economy and the public finances of this government is phenomenal".

We have just been talking about several billion dollars in the employment insurance fund because the government does not pay fairly women working in the federal public service. The latest discovery of the President of the Treasury Board, surely on the advice of the forces of evil, the shadow in this House, is the \$30 billion surplus in the fund belonging to the employees of the federal public service. Thirty billion dollars is not peanuts.

We are talking about a surplus of \$14.9 billion for the public service, \$2.4 billion for the RCMP and \$12.9 billion for the Canadian armed forces.

The government is wondering. Earlier I was saying that they want to do psychological studies to find out why the employees of the federal public service are dissatisfied and are not working up to par. There were also reports explaining why Canadian forces members had so little motivation.

Considering the attitude of the President of the Treasury Board and his government, it is easy to understand why federal public servants, like members of the Canadian armed forces, are often unmotivated. They do not have a say in anything. Again, as I said earlier, this is the tyranny of the majority.

The government imposes taxes, dips into funds, does as it pleases, continues to gag the opposition and keeps imposing working conditions on the whole public service. All this is very hard to accept.

One might understand if the government targeted people who enjoy a gold plated pension, but we are talking about public servants who, as retirees, have annual incomes of \$9,400. Who did the government decide to target? It is these people.

The government had other options. It could have negotiated with its public service. It could have said "We realize that there are surpluses. Perhaps we could try to improve the plan. Instead of paying you \$9,400, we may be able to give you up to \$12,000". The government could also have said to participants "There are surpluses. Therefore, we will give you a contribution holiday and you will not have to make contributions for a few years, so as to use up some of the surpluses. Afterwards, we will use the same contribution rates but, for a few years, you will not have to contribute". However, this is not what the government did.

It runs away with the \$30 billion pot and then says "Now, we will put in place certain provisions, so that if this situation occurs again, we will be able to react more quickly".

What will happen when the \$30 billion are gone and the federal public sector realizes, perhaps a few years from now—I hope not, but it could happen—that there is not enough in the plan to pay employees retiring in one, two or ten years? The government will probably tell contributors that it is sorry but that its actuarial forecasts oblige it to take action, as it did with the CPP, where premiums were increased. The same thing may well happen.

Once the government gets its hands on the surplus, contributors will probably be told that there are problems and that premiums are being increased. It is outrageous.

A number of terms have been used in the House and I want to mention them again. They are parliamentary. Everyone has avoided using unparliamentary language. In my view, the parliamentary terms used so far are quite significant. They include making off with, siphoning off, raiding, controlling, and swindling. I think that they are all descriptive of this government's attitude towards its employees.

I would also like to look at what this will mean. Some of my constituents are listening today. There is a military base in my riding with a large population of Canadian forces members. Members of the RCMP also live there.

• (1305)

Most retired members of these three groups receive an average pension of \$9,400 a year. It might be different for members of the RCMP because they earn a little more and therefore receive slightly higher pensions, but Canadian forces members are not extremely well paid and public sector blue collar workers in Saint-Jean are earning perhaps \$30,000 or \$32,000 a year and will receive a pension of \$9,400 a year.

We are talking about regional economy. What will someone receiving \$9,400 a year going to do with that amount? Spend it. There is no question of looking into investments, buying mutual funds and playing the stock market on an annual income of \$9,400.

These people spend their money in their own ridings, for housing, for clothing, for food and sometimes for a little outing. This is about all they can afford with \$9,400.

Now, imagine what would happen if the government decided to upgrade pensions. These people could afford better housing and clothing, higher quality leisure activities, more travel. All that would strengthen the economy.

Just in the case of the employment insurance fund I talked about earlier, the \$6 billion to \$7 billion stolen each year from the unemployed represent \$21 million for the riding of Saint-Jean. This is not peanuts. Further more, if women had pay equity, they could

Government Orders

spend more in their riding, and this would be over and above the \$21 million.

When people cannot increase their annual income with their retirement fund, this represents another loss for regional economies. The government is siphoning off money not only from the public service but also from the economy of the riding of Saint-Jean and other ridings in Quebec and Canada.

I thought it was important to share these facts with the House. People often believe that the government is doing the right thing and taxpayers ask: "Will that affect me? Will Bill C-78 affect me? NO, this will not affect me, but it will affect employees of the federal public service". For instance, people who have a business, who sell houses or condos or have a grocery store should understand that the less money there is in ridings, the slower the economy will be.

Earlier, we raised questions about the government's management practices. There are even more questions when it comes to such matters as R&D and the procurement of goods and services. This is one more thing that affects Quebec directly.

Quebec contributes about 24% of the tax base, but when it comes to categories of expenditures that are important to Quebec, whether R&D or the procurement of goods and services, there is no more equity. To give an example relating to R&D, in the Ottawa-Hull region, there are 43 research centres. Of that number, 42 are in Ottawa, and 1 in Hull. That strikes me as a pretty flagrant lack of fairness.

Research centres are real generators of truly high-paying jobs. This is also true for the procurement of goods and services. The government is the largest purchaser of goods and services in Canada, which it would have to be, considering the size of its budget, but instead of encouraging the regional economy, there is a shortfall of several hundred million dollars in Quebec. That is a lot.

It is said that the rate of unemployment in Quebec is higher. What if the government decided to be fair where the procurement of goods and services are concerned? It would buy more in Quebec and this would generate more employment. But it has not done so. It is penalizing Quebec as far as procurement of goods and services, and research and development, are concerned.

As well, it is pocketing money from all the sources I have already referred to: transfer payments to the provinces, the employment insurance fund, pay equity, and its latest discovery, the public service pension funds.

I now wish to speak a bit about same sex spouses. As I said two weeks ago, I think the government is treading on eggshells somewhat with this.

• (1310)

For the series of amendments concerning same sex partners, the government has decided to hold a free vote. I wonder if the government will hold a free vote this evening or whether it will oblige Liberal members who were not in agreement with this clause to vote in favour of it this evening. Some members have expressed very interesting points of view. I had mine, I expressed it and I put it into practice when I voted on the amendment as such.

What is deplorable with this approach, these specificities and the provisions of the bill is that the government is going to force people to perhaps vote against their conscience. In my opinion, the government should have introduced a specific bill on same sex partners.

In Quebec City, the government introduced a sort of omnibus bill, which will really allow, once and for all, a clean-up of regulations and laws in Quebec, because the courts are according more and more rights to same sex partners. We saw this again last week. Decisions are recognizing these people increasingly.

But the problem here is that the government is resolving things piecemeal. This is not the first matter resolved in such a fashion. The other day I gave the example of native women who have no protection on an Indian reserve when a household is being broken up. Instead of settling the heart of the issue, the government introduces bills concerning natives, and women's lobbies want to introduce amendments to each of these bills to take into account the fact that these women are not protected on the reserves.

The same thing is happening here. The government lacks courage. Instead of settling the heart of the problem, it is introducing legislation piecemeal. It just did so in Bill C-78, with all its attendant problems. Some people may agree with taking money from the funds, but they do not agree with there being same sex partners and vice versa. Some people may oppose the bill, but be in favour of measures for same sex partners. They are going to have to make a choice this evening.

The government should have resolved the fundamental issue, since this would have saved time for parliament. Indeed, every time a bill on economic matters comes before the House, some will say "We want same sex spouses to be specifically recognized in this bill". The government is taking a piecemeal approach, instead of resolving the fundamental issue. I realize that this approach could take more time, because it is a moral issue. There could even be a free vote on this specific bill.

However, for the time being, the government has decided not to use that approach. It is taking a piecemeal approach. There are members from both sides of the House who have spoken freely on the impact of the fact that, from now on, same sex spouses will be entitled to their deceased spouse's government pension. However, it may well be that, next year if not in a month or two, the government will introduce another bill dealing with economic

Government Orders

matters, and lobbies for same sex spouses will come back and say "We want amendments on this". We will once again be forced to have a debate on specific provisions, because the issue will not have been dealt with globally in the first place.

I want to raise another point. Recently, the government has been telling us "You know, we contribute 70% of the public service employees pension fund". Obviously, one can use statistics to support any position.

It may be that, in the past two, three or four years, the government did contribute 70% of the money paid into the fund. However, if we look back further, we realize that, from 1924 to 1998, the government's contribution to the employees' fund only amounted to 48% of the total. It wants to make off with 100% of the surplus, and that is what is particularly scandalous. I think the government could have been more flexible with its unions and negotiated something more acceptable and equitable, instead of what it finally did. Having contributed 48% for 74 years, it decided to make off with, help itself to, siphon off 100% of the surplus. It is an utter disgrace.

• (1315)

Now I would like to turn to the example the government is setting for the private sector. Last time, I mentioned internationally renowned financiers, now dead. There was Robert Maxwell, a press baron in England. He sailed the seven seas in a yacht financed by his own employees' pension plan. It was scandalous.

These people were all denounced by workers, those who know the value of the \$15 or \$20 dollars a week they hand over to the government or their employer to pay for a decent retirement.

People know what it means to take \$20 of what they earn every week and hand it over to the government. They also know what it means when the government says it is going to help itself to the surplus. They know that it is utterly unfair. The government is setting a precedent. It is going to send a message to employers, particularly those in the private sector. They will be able to say that, if there are any surpluses in their funds, they will be entitled to help themselves because the money belongs to them.

That is how this government, which makes laws and employs people, thinks. It tells itself that, since it administers the plan, it will help itself to any surpluses. The House should consider what this will mean in the private sector.

Last time, I spoke about who this attitude hurt most and I am going to do so again, because it is completely unfair. I am referring to Singer employees. A few years ago, the Bloc Quebecois began to ask questions on this issue. This case was widely publicised.

Many people believe that the issue has been settled, that the Singer employees won a victory and that \$1.7 billion was shared between survivors. Almost half of the employees are now dead and their average age is 84. Yet people believe that the issue has been settled.

What they do not know, and I want to repeat this today, is that between 1942 and 1967, the federal government was responsible, through government annuities, for the Singer employees' fund. The government, which was the watchdog of the retirement fund of the Singer employees, allowed that company to dip into the surplus.

In 1967, some \$400,000 should have been paid back to employees as a bonus. The government decided otherwise. It allowed Singer to dip in the surplus. An amount of \$400,000, in 1967 dollars, would be the equivalent of \$6 million to \$7 million today, an amount which should belong to employees of Singer.

I know what I am talking about, because my father worked for Singer for 45 years. He is now retired and gets government annuities, an astronomical \$20 a month. All this because the government allowed a company to walk away with the jackpot under the cover of a holiday on premiums.

Today, we understand, with Bill C-78, why the government of the day acted that way. Three different human resources development ministers told us "This is not our fault, we deny any responsibility and we do not want to pay."

In 1994-1995, the Bloc started asking questions about Singer. What was happening at the time? The federal public service pension funds were starting to generate a surplus. There were surely some mean-spirited people in the government who decided that they were not about to recognize their responsibility and reimburse former Singer employees. "Because we allowed Singer to stop paying premiums, we cannot do that. If the surplus in our own pension plan, in the federal public service pension plan, continues to grow, we will have to get our hands on it".

We, in the Bloc Quebecois, realize that the first victims were the Singer workers. But they were only the first victims, because there will be many more to come. The government is paving the way for all private employers, by sending them the message that they will be able to get their hands on any surpluses they have. You have to agree that this sets a precedent. Of course, we are also talking about federally regulated funds.

• (1320)

Last week, I took part in a show about Bill C-78. People told me that, under the provincial legislation, provincially regulated employers acting this way would probably go to jail or pay huge fines.

Government Orders

Employers who have some kind of link with the federal government will feel they no longer have their hands tied. Who will benefit from this bill, the employers or the workers? Who gives money to this irresponsible and arrogant government? Is it the low income workers or retirees who receive \$9,000 a year? No. It is the large corporations, the big banks, the large insurance companies, the huge multinationals, those who refuse contributions when we ask for them.

We tell them, "The Bloc Quebecois needs money, but you have to give us a personal cheque". That does not work. People from Bell Canada tell me, "Look, Mr. Bachand, every time you organize a cocktail party, we have a cheque for you". But it is a cheque from Bell, and we can only accept personal cheques.

The banks tell me the same thing. Whose interests is this government defending? I think it is defending the interests of the banks, of insurance companies, of Bell. In the report of the chief electoral officer, I see that Bell Canada gives \$50,000 or \$60,000 to the Liberal Party, and the same goes for Nortel. The Bloc Quebecois gets absolutely nothing. Who is the government favouring with a bill such as the one before us today?

To whom is the government saying that, from now on, they will be able to use any surplus in their pension plan? To the big banks whose profits already total \$6 or \$7 billion a year, to the big multinationals such as Bell Canada, which will probably have a surplus of \$1 billion this year, after having just laid off about a thousand employees.

The workers and the retirees are beginning to understand who really defends their interests in the Parliament of Canada. It is the members of the Bloc Quebecois and those who will oppose this bill today. Those who will agree with this bill are government members, and those who will congratulate the government are big banks, insurance companies and multinationals. They can at last see the light at the end of the tunnel.

For those corporate interests, billions of dollars in profit each year are never quite enough. If there are a few extra billions to be made at the expense of workers or retirees, they will not say no. They are quite willing to grab their employees' pension fund.

This is the kind of terrible precedent the government is setting. I hope the workers and the retirees will understand that the \$20 they have contributed every week for years will not be used to help them in their retirement, but for something else. I hope people will remember this when the time comes to vote.

I would like to come back to the financing of political parties. For the Bloc Quebecois, money should not be a factor in a democracy, and we should abide by the principle of one person, one vote. I once told big companies like Bell they could keep the \$500 cheque they were handing to me. I will never have my hands tied

by big multinationals. Those who vote for the Bloc Quebecois are workers, retirees who have a hard time making ends meet, people in trouble and people who are persecuted by the governments.

We are in a very good position, because we will never want to become cabinet ministers. The Bloc Quebecois will never want to become the government. I think voters do understand who is in a better position to speak on their behalf. Is it the government party, which accepts cheques from major corporations, or is it the small parties, the ones sensitive to workers? These parties will collect \$5 or \$10 on far flung concession roads or hard to reach streets. We do not have our hands tied.

This is why we can say the sort of thing we are saying today. This is why today we can tell the government that it is arrogant, ill-advised, excessively appropriating money, incapable of managing public finances in a reasonable fashion.

• (1325)

The fact that these workers support us with their \$5 and \$10 contributions allows me to say what I am saying today to this government. I think people will be grateful to us and, when the time comes to make a democratic choice, it will be one person, one vote, but all of these votes in Quebec will mean that the Bloc Quebecois will be back for the next election, should we decide to come back.

[English]

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, I will be very brief because the member for Winnipeg North Centre is very anxious to give a long speech in the House today and I want to share my time with her.

We have a very important bill before the House today, Bill C-78, which deals with the pension funds and superannuation of retired public servants, including the RCMP and the armed forces. It has become a very controversial bill because the government wants to use the \$30 billion surplus that has accumulated in those funds to go back into the consolidated revenue fund or to the Government of Canada so it can pay down the debt or use for its general operations.

I submit that this is really theft of a lot of money that the federal government has collected in pensions. It should go for pension purposes for retired public servants in the country.

An hon. member: Nonsense.

Hon. Lorne Nystrom: I hear a Liberal member on the other side saying nonsense. I wish he would get up in the House and make a speech about this and face his constituents who are concerned about the government taking \$30 billion of their money and using it for general revenue purposes.

Government Orders

An hon. member: They cannot spend it.

Hon. Lorne Nystrom: A Liberal member is saying that they cannot spend it. This is very revealing. Maybe he should talk to retired public servants, retired RCMP officers and retired military personnel in the country. The Liberal government is saying that they cannot spend it, that they have too much money and that they cannot have higher pensions. The government says the Canada pension is better indexed. It says retirees cannot spend the money so it is going to take the money from them and use it for other purposes.

This is a Liberal member revealing in the House today that these retired pensioners cannot spend the money. I hope our pensioners understand that the Liberals' position is that pensioners cannot spend the money so it will take it use it for other purposes. That is a very revealing statement. I am sure, Mr. Speaker, that you, as a very non-partisan officer of the House, would be scandalized to get up in your place and comment on a question like that.

I hear laughter from across the way. The Liberals are embarrassed to hear this Liberal member from Hamilton saying that they cannot spend the money. What has been said today is very revealing. It is more revealing than when the minister got up and read a prepared and scripted text written by bureaucrats.

I want to make three points. The first point is that the government has really held the pensioners in the country in contempt by not having a proper public hearing on this bill today. It is a very major step and a major initiative. There should have been very extensive public hearings so pensioners could have had a say in what was happening to their money. If we had a parliamentary democracy that was worth writing home about, the pensioners would have had a say. However, that is not the case.

I noticed an article in the paper awhile ago by a very distinguished journalist, Doug Fisher. He said that the government was really holding the pensioners and the opposition parties in contempt. He said that the government was ignoring the parliament of the country by bringing in closure to force the bill through the House of Commons. I gather the Prime Minister will designate this as a confidence vote forcing Liberal backbenchers to vote with the government to make sure this is railroaded through the House.

The time has come for serious parliamentary change so some of the Liberals across the way, who do have some independent, free thinking minds, can get up and speak their minds and their piece on this. It is about time we had that kind of parliamentary reform and change, but that has not happened.

Later today the Prime Minister will use his power and his whips to make sure that Liberal trained seals on the backbenches get up

and vote yes in favour of Bill C-78. That really is a tragedy and a shame in terms of our parliamentary democracy.

I am sure many Liberals across the way, like the member from downtown Toronto, are hanging their heads in shame because they cannot get up and speak their piece. All they can do is laugh at the plight of the pensioners.

• (1330)

I remember back in 1985 when Prime Minister Brian Mulroney tried to partially de-index old age pensions. There was a huge demonstration on Parliament Hill and grey power across the country organized rapidly. A little woman, Madam Denis, went up to the prime minister and said to him in French "You lied to us. Vous avez menti". The people forced the largest majority government in the history of this country, which I believe had 211 seats and was sitting at over 50% in the polls, to back down. That government is not here today and one of the reasons is because of what it tried to do to seniors.

I remind the Liberal government that if it wants to take a leaf out of Brian Mulroney's book it is well on its way to alienating a lot of Canadians, a lot of seniors in this country. That is one point I wanted to make.

The other point I want to make concerns the investment board which will be set up to invest part of the money in the fund. We have discovered that there will not be any ethical screening of those investments. For example, the Canada pension plan now has an investment board which invests about 15% of CPP funds in the stock market. That investment is made in accordance with the TSE 300 Index, which means that some of the money is going into Imasco which owns Imperial Tobacco.

Imperial Tobacco is a company which is encouraging young people to smoke and become addicted to cigarettes. I think that contravenes a stated public policy of the Government of Canada, including the Minister of Health, that we are encouraging people to stop smoking. We are aiming campaigns at children to encourage them to stop smoking. On the other hand the Canada pension plan is tying part of its future success to kids who smoke by buying shares in Imperial Tobacco. I think that is wrong.

I know that the Minister of Finance is committed to look at that in terms of the Canada pension plan. I wish the minister in charge of this bill would also take a look at whether we should bring in ethical screening in terms of the investments board's investments when it comes to the superannuation of retired public servants. I do not think it is right to invest pensioners' money in companies like Imperial Tobacco and indeed other companies which pollute our atmosphere, which use child labour in different parts of the world and which are irresponsible socially and ethically. I would urge the

government to amend this bill to bring in ethical investment guidelines. I would certainly support an amendment to that effect.

I cannot support a bill that is going to take \$30 billion away from the pensioners of this country, but we could certainly improve the bill. That is what parliamentary democracy is all about, suggesting ideas and policies to make legislation better. However, again the trained seals across the way are going to vote in accordance with the Prime Minister's wishes. The member from the central part of Toronto, the member from Spadina, wants to be a cabinet minister, so he is not going to alienate the Prime Minister.

If we had some serious democratic reform in the House the member from Spadina could propose an amendment to bring in ethical screening of the investments made by the investment board. That is what we should be doing in this case and in other cases as well.

I want to address the whole question which has become controversial with some Liberal backbenchers, which is that the benefits will apply to people in conjugal relationships. The issue that is raised time and again is, are the rights of gays and lesbians to be treated the same as people in common law relationships. I certainly support that thrust of the bill.

I want to make it very clear that we should be treating people equally in this country, regardless of sexual orientation or personal circumstances. Therefore, I would appeal to Liberal members who are in opposition to that part of their own bill to support the thrust of the bill in terms of equality of people whether they are living in a common law relationship or whether they are gays and lesbians living in that type of relationship as well. That is very important. There was a supreme court decision very recently and I think we are making progress in that general area.

I want to say once again that I am discouraged closure was brought in on this bill. I was very dismayed to hear a Liberal member say in the House today that seniors do not need the \$30 billion, that they could not spend it anyway. The member from Hamilton said "They could not spend it anyway". *Hansard* will indicate that is exactly what he said from his seat on the far left-hand side of the House.

I also believe there should have been proper parliamentary hearings and discussions. There should have been hearings with retired military personnel, retired government workers and the RCMP over the direction of this bill and what to do with the money in the fund. That has not happened.

• (1335)

Let us make sure that when we set up investment funds, which is something new in terms of pension legislation in the country, we bring in the principle of ethical screening to make sure that the

Government Orders

public funds being invested on behalf of pensioners in the future and today will be done ethically in accordance with the wishes of the vast majority of the Canadian people.

Mrs. Diane Ablonczy (Calgary—Nose Hill, Ref.): Mr. Speaker, I was interested in my colleague's speech. As usual he was very articulate. We can tell who has been in the House for a while and who knows the issues.

I am concerned about something the member alluded to, which is the complicity of government members in the House. Instead of holding the government to account he said that they simply act like trained seals, and I could not disagree with that.

In committee this morning there were votes on estimates without any discussion or examination of the merits of these huge expenditures of money, and yet government members did not even want discussion. They just said "Yes, we will pass it".

From this member's perspective, and I know he has been in the House a long time, even though he and I might not agree on some issues I think we both have a real concern about accountability and about the oversight function of members of parliament into the way the business of the country is run. I would like him to comment further on his perspective over the years about erosion. Perhaps there never was an oversight function in a meaningful way by members of the House.

I would like to know how we got so far down this road where essentially what we do in the House has no meaning and has almost no bearing on what the government does.

Hon. Lorne Nystrom: Mr. Speaker, I think there has been a real move toward executive government in the last 20 or 30 years.

I was first elected in 1968. Of course, I was about 12 years old then. I remember the great debate in 1969 when there was a move to take estimates off the floor of the House of Commons. The argument of the opposition in those days—the opposition leader was Mr. Stanfield, our leader was Tommy Douglas and Réal Caouette was the leader for the *créditiste* movement—was that the committees of the House must be strengthened to bring accountability to the committees of the House.

The House sat until the end of July. It was a debate that went on and on into the hot days and evenings of the summer of 1969. Of course that never happened. The Trudeau government rammed through the legislation in the end and we have the committees as we know them today.

I also remember 1984 when the Liberal Party came back with 40 some members after its great defeat at the hands of Brian Mulroney. In opposition those members started to talk a lot more about bringing in accountability. They wanted better parliamentary democracy, fewer confidence votes, more free votes and other things

Government Orders

about which a lot of us are concerned. However, once they were elected again in 1993 they sort of forgot about that.

I remind members that the government across the way has had a majority for five years. It received 38% of the vote in one of the lowest turnouts in the history of the country when 67% of the people in the last election voted. When we take 38% of the 67%, it is sitting there with well under a third, probably a quarter of the Canadian people who have endorsed the government, and yet it has this awesome power of a majority and it cracks the whip all the time to make sure it happens.

I will give an example of what I mean. The other place, which we call the Senate, wants an increase of \$5 million in its budget this year. It is, by definition, not elected, not accountable and not democratic.

We have checked with the procedural experts in your office, Mr. Speaker. No minister is responsible for the Senate. There is no one across the way who can answer on behalf of the Senate. If no minister is responsible for the Senate, therefore the government is not responsible for the Senate and therefore if one votes against the estimates of the Senate it is not a motion of non-confidence in the government across the way.

We will be having votes on the estimates, probably on June 9, and we will see the cracking of the whips as the Prime Minister deems the vote on the Senate estimates to be a matter of confidence.

● (1340)

The latest polls indicate that about 5% of Canadians support the existing Senate and 95% do not. Some Canadians want the Senate to be abolished, some want it to be reformed. That is not part of the argument. Five per cent of the people support the existing Senate, and yet the Prime Minister will crack the whips and deem that to be a confidence vote.

I think that is the best example of the need for radical parliamentary change to make this place democratic, meaningful and accountable to the Canadian people. It is actually quite embarrassing to vote for \$5 million to be given to an institution which only 5% of the Canadian people want, especially when it will be deemed a confidence vote by the Prime Minister.

Ms. Judy Wasylcia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I am very pleased to participate in the debate on Bill C-78 and to follow the words of my esteemed colleague, the member for Regina—Qu'Appelle, who has served this House and the Canadian public for some 28 years. I consider it a privilege to work with someone with that experience, who has made an incredible contribution not only for his own constituents but for Canadians everywhere.

I noticed, despite these 28 years of service, that my NDP colleague for Regina—Qu'Appelle used the word theft. That word

was not singled out as being unparliamentary, but I understand it could be borderline and it is not an appropriate word to use. However, I think that word, if we were able to say it out loud in this place, would best characterize what we are dealing with when it comes to Bill C-78.

This reminds me of an issue I dealt with as a member of the legislative assembly of Manitoba in 1988 when we were dealing with serious and drastic cutbacks to our child care system engineered by the then Conservative government. I had been working with many groups trying to deal with and stop these cutbacks. My son, who is 10 years old today, was about 2 at the time and, having heard all of this talk from me about government cutbacks, proceeded to announce to the world that the Conservative government had come to his daycare and stolen all the money. Out of the mouths of babes come words of truth and wisdom. I think that is exactly what we are dealing with today. I wish I could say those words that would best epitomize just what Bill C-78 means.

I want to address a couple of points today along the lines of the remarks of my colleague for Regina—Qu'Appelle. The first has to do with the arbitrary, undemocratic way in which the government is handling this piece of legislation and the way it has approached just about every piece of legislation in this entire parliamentary session.

In all the times I have spoken in the House, and there have been a good number in the last couple of years, on just about every occasion I and my colleagues have been forced to deal with the issue of closure. Whenever a bill is presented to this House, debate starts to take off and the public starts to get interested, what does the government do? The government brings down the heavy instrument of closure, time allocation. I know my colleague from the Reform Party touched on this in her question about what has changed in our democracy and what has gone wrong. I think the trend is clear and worrisome.

I understand from some reports that closure was a very rarely used tool. Between Confederation and 1956 it was only used half a dozen times.

● (1345)

Let us compare that to how many times the government has brought in closure in the last two years. If my count is up to date, time allocation has been brought in 12 to 14 times in the space of two years. This is an incredible development, an incredible attack on our rights in the Chamber and on the whole notion of democracy. Is it any wonder Canadians are cynical and skeptical about politicians and about our democratic institutions when this kind of process is allowed to take place?

Some of those sentiments are best described in a letter that was sent to the Kitchener-Waterloo *Record* by David Crow, a retired airline pilot:

Government Orders

This is nothing more than autocracy masquerading as democracy.

Canadians now live in what can only be described as a benign dictatorship where policy decisions concerning their future are made behind closed doors. Amid the pomp and tradition of parliament lies a system which has become fractious, insensitive, remote and elitist. The antiquated system no longer has the support of most Canadians.

I would hope we would hear those words and understand and appreciate that if we are to renew people's faith in democracy, in parliament and in participatory democracy, surely we have to address what is happening in the Chamber and the shocking way in which the government has been so arbitrary and dictatorial.

Members of the House will remember the kind of anger the present House leader of the Liberal government displayed when the Conservatives brought in closure in their time in government. He went on a rampage about this tactic and actually said "Shame on those Tories across the way".

Today the situation is much more serious. We say to the House leader and to all other members of the Liberal government, shame on them for bringing in closure so many times whenever there is an important issue before the House and whenever we need to hear from Canadians and value their input in order to put before the public the very best possible legislation. It is with regret that once more we are dealing with that issue and we will continue to speak out on it.

The next point I want to make is on the problems we have with the legislation on a substantive basis. I do not need to repeat all the arguments we have heard from the NDP on this issue time and time again. We are absolutely opposed to the bill which grabs \$30 billion in pension surplus to be used at the discretion of the government, whether that be in general revenue or any other expenditure it chooses. We have registered time and time again our concern with that arbitrary move on the part of the government and with its failure to reach some sort of agreement with all the different organizations involved.

It has been said time and time again how important it is to honour and respect the contribution senior citizens have given to the country. The bill does the opposite. As my colleague from Regina said, it is holding pensioners in contempt by not recognizing their contribution and working out an arrangement to ensure the surplus is put to the best possible use.

Many have commented on how it is so ironic that the bill is before the House at the same time as the government is participating in this year's UN's international year of the older person, a year intended to mark the contributions of our senior citizens, to recognize their achievements and to create intergenerational respect and support.

Is it not ironic that we are dealing with a bill which does the opposite? At the same time we are trying to celebrate the international year of older persons which has been called "Canada: A Society for All Ages". That is the height of hypocrisy which must be clearly noted in debate.

Some of my colleagues asked whether in looking for a reasonable approach to pension surplus the actual level of poverty among some of our senior citizens was considered and in particular the fact that older women were among the poorest of all poor. It was pointed out in earlier debate that a woman who served in the civil service for 20 years ended up with about \$9,600 a year in retirement funds. The reallocation of this surplus toward people such as these women, the poorest of the poor in the country, would have made a big difference.

• (1350)

I have much more I would like to say, but I urge all members of the House to oppose Bill C-78 which takes \$30 billion out of the pension funds.

As my hon. colleague from Regina did, I urge members on the Liberal side to reconsider their opposition to the bill on the basis that it is supporting a recognition of rights for people regardless of sexual orientation. We certainly support that provision but seriously and strongly oppose Bill C-78.

Mr. Tony Ianno (Parliamentary Secretary to President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, it is ironic to watch the NDP and the Reform Party being on the same side of issue after issue. They pretend they are far away but whenever it gets to extremes we can see how they are closely tied.

Once again it is ironic to see that the NDP supports many parts of the bill yet is voting against issues for which it has fought for many years. The Reform Party's whole existence is about pension reform, the economy and money to taxpayers. All of a sudden there is \$30 billion that belongs to the taxpayers and it is voting against the bill. It is amazing to watch the two join hands in the true western approach.

An hon. member: That does not make sense.

Mr. Tony Ianno: Of course it does. I was talking about the member from Regina who is always talking about amalgamating with the Reform and uniting the west.

Hon. Lorne Nystrom: Give me one quote.

Mr. Tony Ianno: Oh, come on. You guys are on the same side of the issue.

An hon. member: Oh, oh.

Mr. Tony Ianno: There they go, Mr. Speaker. Is it not something really funny when we see the Reform and the NDP joining hands? I think it is the most comical of situations.

S. O. 31

The NDP, after working for so many years on some of the issues we have put forward, says that it wants public debate. When we were doing it in committee there was the CLC convention in Toronto so NDP members had to go there. However to pensioners and the union it says it is concerned about this issue and about the money. Where were the NDP when we were listening to the concerns of people?

If the concern is so great in the NDP, why was it not there when those people were present to state their case?

Ms. Judy Wasylcia-Leis: Mr. Speaker, let me respond to the hon. member's initial comment about inconsistencies in the NDP and the fact that on some occasions there seems to be some unity on the opposition benches.

The hon. member should realize that when that unity happens, when we speak with one voice, it is always when the government presents us with the most arbitrary, underhanded, undemocratic process imaginable. That is what unites us, because we are all here banding for a parliament that is in touch with the wishes of Canadians and operates on a democratic basis.

There is nothing inconsistent about the NDP's position. We have said from day one that we must always look for co-operative solutions to any problem before us. On the issue of pension surplus we have always said there was a process in place. It was working. It could have been carried to its logical conclusion. The government did not have to be so precipitous, bring in Bill C-78 and just take that \$30 billion to use according to its own agenda.

We have always stood in this place and have spoken out against abuse of power. That is what we are doing today. It happens that other members on the opposition benches share that concern because it is so fundamental to democracy. We have always been there to participate every step of the way.

• (1355)

The government has brought in closure after four hours of debate on a major piece of legislation which takes \$30 billion out of pension funds to be used for its own agenda. It does not allow for any kind of extended committee hearings across the country so that Canadians everywhere would have a chance to participate.

I suggest the member look in the mirror and see how his government could have improved the process so that all Canadians could have participated on a meaningful basis.

The Deputy Speaker: Perhaps it is time to move on to the next item of business rather than interrupting a speech in one or two minutes. Is it agreed that we proceed to Statements by Members?

Some hon. members: Agreed.

STATEMENTS BY MEMBERS

[English]

AGRICULTURE

Mr. Roy Bailey (Souris—Moose Mountain, Ref.): Mr. Speaker, last week I spent three days viewing an area in my constituency that is suffering a severe financial disaster. At least 50% of the cultivated acres in five rural municipalities in my riding are under water. The remaining 50% will not be seeded this year.

This area is roughly the same size as the total number of farm acres on Prince Edward Island. The current disaster accompanied by a significant drop in farm income from previous years could spell an end to hundreds of farm operations.

Today I ask the minister of agriculture to join with his provincial counterpart to view the area that I have visited and to take the necessary steps to declare at least the five rural municipalities a disaster area.

* * *

PUBLIC WORKS

Mr. Bryon Wilfert (Oak Ridges, Lib.): Mr. Speaker, today I congratulate the town of Richmond Hill in my riding for the many successful events last week during National Public Works Week.

The town has already won two consecutive national trophies for its public works awareness activities and is reigning champion in York Municipalities Public Works Challenge for the second year in a row.

Education was a major theme of this year's public works week. The town gave school tours of its operation centre and the Leslie Street pumping station. More than just that, it has taken the program directly to students.

The new Hawk program will feature students working with town staff to report problems to operations staff for their review and repair. A special council meeting is already planned for June to thank these responsible young citizens.

National Public Works Week is all about the quality of life in our community, and in my town the quality is exceptional.

* * *

WORLD POPULATION DAY

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.): Mr. Speaker, I rise today to inform the House about the upcoming World Population Day which was designated by the United Nations as July 11 of every year. It is a day to remind both nations and individuals about the implications of population growth.

S. O. 31

On October 12 the world's population will reach six billion. This increase in population will present many challenges for Canada and the rest of the world in the next century. Some of the challenges include food insecurity, ensuring basic primary education for many children in the developing world, poverty alleviation, and the movement of people across borders.

In commemoration of this day the Canadian Association of Parliamentarians on Population and Development will organize a media campaign to raise awareness of the cross-cutting issues of population and development.

I encourage all my colleagues to participate in this campaign and to get involved in activities in their ridings to commemorate World Population Day.

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[Translation]

EMPLOI-QUÉBEC

Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.): Mr. Speaker, further to my remarks of May 5 concerning Emploi-Québec, here are the facts, as Claude Picher wrote in *La Presse* on May 20, 1999.

“It will no doubt be useful to point out that Emploi-Québec was created when the federal government left the manpower training and placement sector and transferred jurisdiction and funding for it to Quebec. Now that it has control over it, Quebec is demonstrating its inability to effectively assume its responsibilities.

“Minister Diane Lemieux is essentially trying to show that there is no problem and that everything is going well in the best of all worlds. This does not reflect the reality of the situation.

“Either the minister is unaware of what is going on in her own department, in which case it is high time that she began consulting her own officials, not her mandarins, but real people, those who meet reality daily. Or, and this is a more serious situation, the minister is well aware of the problems but is trying to hide them, like the member for Abitibi East”.

So, today, why the silence of the “blockers”, the friends of Lucien Bouchard?

* * *

● (1400)

[English]

ABORIGINAL AFFAIRS

Mr. John Finlay (Oxford, Lib.): Mr. Speaker, it is my privilege to rise today to acknowledge that last week was Aboriginal Awareness Week.

The Government of Canada recently launched the aboriginal and human resources development strategy which will help to fulfill our commitment under Gathering Strength, Canada's aboriginal

action plan. This five year \$1.6 billion strategy will build on past initiatives with aboriginal peoples across Canada.

The new strategy will enable aboriginal organizations to deliver a broader spectrum of human resource programming and will further reinforce the positive relationship that has been building between the Government of Canada and our aboriginal people.

The new strategy will also help address a broad range of human resource needs related to aboriginal youth, persons with disabilities, child care and several other social and economic challenges.

Aboriginal people demonstrate an unwavering spirit and dedicated determination in their ongoing efforts to achieve self-reliance and to nurture healthy communities.

Aboriginal awareness—

The Speaker: The hon. member for Scarborough—Rouge River.

* * *

MISSING CHILDREN

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, today is National Missing Children's Day, a special day designed to raise awareness about the reality that children go missing in Canada every day. Fortunately most are recovered and this is due to the dedicated work of law enforcement agencies and their partners. I applaud their hard work and successes in recovering missing children each year.

The federal missing children's program is a collaborative effort of the RCMP's missing children's registry, Revenue Canada's international project return, Citizenship and Immigration Canada and the Department of Foreign Affairs and International Trade.

The annual report of the RCMP's missing children's registry shows that runaways account for 80% of all reported cases of missing children. Since the creation of the missing children's program in 1986, a total of 815 children have been recovered at ports of entry across Canada.

A key element of this government's public safety mandate is to keep our streets and homes safe for our children. Our goals will only be achieved through strong partnerships and ongoing commitments to—

The Speaker: The hon. member for Frontenac—Mégantic.

* * *

[Translation]

RAIL TRANSPORTATION

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Mr. Speaker, more than four years ago, the Quebec Central Railway closed down the Sherbrooke-Lévis section of its operations. Jean-Marc Giguère, the Beauce area man promoting this line, has met with nothing but refusals from the federal government, while the

S. O. 31

Government of Quebec has already announced its financial participation.

On two occasions, the secretary of state for regional development in Quebec has refused to meet with businessmen from the Beauce and Amiante regions. In the meantime, this government has invested \$16 million into the Winnipeg-Churchill rail line in Manitoba.

It seems that the Liberal member for Beauce has already said he would lay his seat on the line to get his government to support Mr. Giguère's project. Given the steadfast refusal by the secretary of state, are we to begin preparing for an imminent by-election in the riding of Beauce?

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[English]

THE LATE OWEN HART

Mr. Rob Anders (Calgary West, Ref.): Mr. Speaker, today I wish to express our deepest sympathies to the family of Owen Hart who was tragically killed this past Sunday night.

The Hart family is known worldwide as the first family of wrestling. Owen followed in the respected footsteps of his older brothers and his father when he began wrestling professionally in 1986. He was an outstanding athlete and an inspiration for so many.

For a moment though, I would like to put aside the fame and simply reflect on Owen and his family.

Stu and Helen have been married for over 50 years. At their anniversary party last year I could see that everyone who knows them loves them. Owen was the youngest of their 12 children. He was a devoted husband of 17 years to Martha, and father of two, Oje, age 7 and Athena, age 3.

Owen always made time to visit the children's hospital and said "Say your prayers, take your vitamins and drink your milk".

To the Hart family I can only say that behind your dignified public composure I know Owen's death is a terrible, terrible loss for you. I thank you for sharing Owen with us. We grieve with you.

* * *

CONESTOGA COLLEGE AWARDS

Mr. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Speaker, I rise today to congratulate this year's winners of the Conestoga College awards.

Andrea Bohoczki of Waterloo, a nursing student, was the winner of the Dr. Stanley F. Leavine memorial award which recognizes

achievement in clinical practice, academic excellence and demonstration of personal and professional development.

The top winner in the broadcasting, radio and television program was Sarah Sherbourne of Waterloo. Sarah won or shared four of the 16 awards given out: the Q97.5FM teledrama award for broadcast management; the Betty Thompson broadcaster of the year award; the Christopher Allen Rawnley—Sony of Canada award; and she shared the K.A. MacKenzie memorial award.

• (1405)

Carla Donnell of Kitchener won the CHYM announcing award.

Brian Gillespie also of Kitchener won the Pat Fitzgerald award from the staff of CKCO-TV.

Congratulations to Andrea, Sarah, Carla and Brian and to all winners of the 1998-99 Conestoga College awards.

* * *

THE LATE HUGH HANRAHAN

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, I rise today to pay tribute to Hugh Hanrahan, former MP for Edmonton—Strathcona who served here from 1993 to 1997. He passed away in Edmonton on Wednesday, May 19.

Hugh grew up in Antigonish, Nova Scotia, one of five boys in the family. He obtained his bachelor of arts degree and bachelor of education degree from Saint Francis Xavier University and his master's in education from the University of Ottawa.

He moved to Calgary for his first teaching job but settled in Edmonton soon after. He taught with Edmonton Catholic schools for 20 years.

He was awarded a teacher of the year award for his devotion to increasing high school students' knowledge of economics.

In 1997 Hugh's health prevented him from running for a second term in office so he returned to teaching, what he was most comfortable with.

Hugh also had a great pride in his Irish and Scottish roots. He especially enjoyed spending summers in Nova Scotia with his family because he loved the seaside.

Hugh is survived by his wife Dianne, daughter Margaret Anne and four brothers. We would like the family to know that all of us are thinking of them.

* * *

TASK FORCE ON FOUR WESTERN PROVINCES

Mr. John Harvard (Charleswood St. James—Assiniboia, Lib.): Mr. Speaker, while most MPs spent the last week in their

constituencies, members of the Prime Minister's task force on the four western provinces spent three very informative days listening to the concerns and priorities of British Columbians.

The response to our meetings was overwhelming. The task force held meetings in five centres across the province and met with well over 70 groups, organizations and individuals representing a wide cross-section of British Columbian society.

This task force was established to complement the work of our western caucus and provide western Canadians with another opportunity to shape the national agenda as the government nears the middle of its second mandate.

The response we had throughout B.C. last week and throughout Manitoba last month once again shows that western Canadians welcome opportunities to meet with and discuss public policy issues with MPs from across the country.

On behalf of the task force members, I would like to thank all those who took the time to meet with us in British Columbia and all those who made written submissions to the task force.

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MISSING CHILDREN

Ms. Bev Desjarlais (Churchill, NDP): Mr. Speaker, today is National Missing Children's Day.

Four out of five missing children are runaways. Most are running away from abusive situations.

The Liberal government has abandoned these children. They have abandoned social housing and cut funding for youth drop-in centres and shelters for abused children. Programs like these identify and help troubled youth. Their loss leaves youth with nowhere to turn. It is no wonder so many are ending up on the streets. The lucky ones might end up begging for change or squeegeeing car windows. The unlucky ones fall victim to drugs or prostitution.

In 1989 the House unanimously approved an NDP motion calling on the federal government to eliminate child poverty by the year 2000. The Liberal government voted in favour of this motion while in opposition, but in government the Liberals have made the problem worse. Children are their helpless victims.

The RCMP is working hard to find missing children but it is up to the federal government to attack the problem at its source. It is time for a government that cares about children.

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[Translation]

QUEBEC TRADE MISSION TO MEXICO

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, the Quebec Premier's trade mission to Mexico led to the signing of 24

S. O. 31

agreements totaling \$66 million and creating some 500 new jobs. This collective effort is proof that there are undeniable economic, political and cultural ties with Mexico.

The collaboration of the federal government ought to have been a given. We would have liked to have seen the federal government not making a spectacle of itself in the eyes of the Mexicans by refusing to organize a meeting between the Mexican President and Mr. Bouchard. We would have preferred not to have had to read an editorial in the major Mexican newspaper *Universal* that the Prime Minister of Canada had been wrong.

This episode has done nothing to prevent the trade mission from paving the way to a new and unprecedented openness between Quebec and the Americas. As the decade of the Americas gains momentum, Quebec has created a dynamic aimed at building a closer relationship with the countries of Latin America.

Henceforth, and forever more, Quebec will continue to open itself up to the world, regardless of the federal government's rigidity.

* * *

JULIE PAYETTE

Ms. Eleni Bakopanos (Ahuntsic, Lib.): Mr. Speaker, the countdown has now begun for Quebecer Julie Payette, a member of the *Discovery* shuttle team, which is set to take off on Thursday, around 6.48 a.m.

As Julie said herself, her mission is the fulfillment of a lifelong goal.

• (1410)

[English]

Julie, allow us to share in your success. Your mission is a result of team effort. Many members of that team have dedicated a good part of their lives to acquiring the knowledge and experience necessary to make this important mission a success.

[Translation]

We will be watching you on Thursday, Julie. We are proud of you. We are proud of this mission that you will carry out brilliantly and professionally, on behalf of Canada and Quebec.

Good luck Julie, and thank you for representing us so proudly.

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[English]

OTTAWA 67'S

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, on May 23, last Sunday afternoon, the Ottawa 67's brought great honour and pride to Ottawa fans by winning the Memorial Cup in a nail-biting seven to six overtime win against the Calgary Hitmen.

Oral Questions

Cheered by a crowd of over 10,000 energized fans, Ottawa's 67's gave their best to win the Memorial Cup which they last won in 1984. This time however it was even sweeter. They won at home in front of their fans.

My congratulations to the team players for an incredible year and for their stellar performance during the championship. Special congratulations are in order for coach Brian Kilrea who is a legend in his own right. Finally, congratulations to the new team owner Jeff Hunt who believes in this team and in this town.

* * *

INDIA AND PAKISTAN

Mr. Gurmant Grewal (Surrey Central, Ref.): Mr. Speaker, last week was the first anniversary of the nuclear tests conducted by India and Pakistan. Since then the Canadian government has shown a complete lack of leadership and has broken Canada's contact at the ministerial level.

Canada should not have pursued a disengagement policy. Canada has a reputation for our skill at mediation and peacekeeping. By taking a leadership role, Canada can help soothe the relationship and promote trade between these two countries that share language and culture. The Kashmir issue will take care of itself, otherwise the situation is a conflict in waiting.

Many other countries, including the U.S., China and France have talked with India and Pakistan, but not Canada. By not sitting at the table and talking, the Liberals are abandoning our traditional peacekeeping and peacemaking roles and allowing the situation to deteriorate.

There is still time to help relieve the pressure that is mounting between these two nations. We call on our government to take a leadership role while there is still time.

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*[Translation]***ROBERT STANLEY WEIR**

Mr. David Price (Compton—Stanstead, PC): Mr. Speaker, Canadians have been singing our national anthem, "O Canada", for 119 years already. The English lyrics were written on the shores of Lake Memphremagog, in my riding of Compton-Stanstead, by Mr. Justice Robert Stanley Weir, while the music was composed by Calixa Lavallée.

Yesterday, a monument was erected in Weir Memorial Park to honour this great Canadian. The family of Mr. Justice Weir donated the park. It is the only public park along the shores of Lake Memphremagog that is maintained exclusively by volunteers, without any government subsidy.

[English]

Mr. Justice Weir had a strong belief in his country, so strong he wanted to write a song. By writing the English words to O Canada, he wished to harmonize symbolically the good relationship between the French and English speaking people of Canada. Today our O Canada remains one of the oldest national anthems in the world.

Mr. Weir would be proud, as we all are. This was a work of love for the greatest country in the world.

* * *

*[Translation]***LEADER OF THE BLOC QUEBECOIS**

Ms. Hélène Alarie (Louis-Hébert, BQ): Mr. Speaker, last week, the Bloc Québécois leader was in British Columbia and Alberta to discuss a number of ideas to allow Canada and Quebec to move toward a promising future for Canadians and Quebecers.

Our leader noticed that an increasing number of Canadians are seriously considering the proposal of the sovereignist movement, that is a new partnership with a sovereign Quebec.

This dialogue with western Canadians showed us that, beyond the hollow rhetoric, do-nothing attitude and piecemeal approach of the Liberal government, ways can be found to establish sound political relations, based on a new partnership that will serve the interests of both Canada and Quebec.

ORAL QUESTION PERIOD

• (1415)

*[English]***CANADA DEVELOPMENT CORPORATION**

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, there is another Liberal link in the tainted blood scandal. The finance minister was a director of a crown corporation, Canada Development Corporation, from 1981 to 1986. During that time one of CDC's companies, Connaught Laboratories, imported tainted blood from U.S. prisons in spite of warnings from the U.S. Food and Drug Administration. The finance minister should have been aware of these dealings.

Will the finance minister release any minutes or documents from relevant board meetings of Connaught and CDC and if not, why not?

The Speaker: Colleagues, this is the very first question we have had. I would ask all hon. members to keep in mind that whatever

Oral Questions

questions are asked in the House must go to the administrative responsibility of the government.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I know the Minister of Finance was a director of CDC until 1986 when he resigned. I do not know if the minutes from this company can be made available.

By making a statement like that, the opposition is reaching very far in trying to attack and punish the Minister of Finance who is very well known for his integrity.

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, if all of that is absolutely true then he should have no trouble clearing the air on this once and for all.

The finance minister was a member of cabinet when we were debating compensation packages for hepatitis C victims. This package happened to leave out victims of tainted blood between 1981 and 1986. Coincidentally, those are the very same years that the finance minister sat on the board of that crown corporation.

Did the finance minister excuse himself from all cabinet meetings that dealt with money and compensation packages for hepatitis C victims?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, Connaught Labs was the subsidiary of a subsidiary of the CDC. In each case Connaught Labs, and in fact the parent subsidiary, had its own board of directors.

The government director, who was on the CDC board and the most knowledgeable about this, said that this was not the kind of thing that would have come to the CDC board. He also has no recollection of it coming to the CDC board. I have no recollection of this particular matter coming to the CDC board.

I would be delighted to have whatever papers could be made available to be made available. I have asked my officials to look at our papers but at the present time we have found nothing.

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, I am sure the minister realizes that he could have been in a very serious conflict of interest position here. We want that cleared up.

On the one hand, he was a director of a crown corporation that was profiting from selling tainted blood to thousands of Canadians who were poisoned. On the other hand, he was the minister holding the purse strings for the government at that same time when it was coming up with a compensation package for hepatitis C victims.

Rather than the finance minister saying "I'm a little surprised" or "I'm just not sure", if he has absolutely nothing to hide, when will he release every document available to him so he can wash his hands of this once and for all?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of Finance has indicated that if there are any relative papers he will be happy to make them public. He explained very well the link between Connaught and CDC. CDC was a company of the government so the minister could not have any personal interest in it. For the opposition to reach that far into the past to try to find something against the minister who was doing his job properly makes a mockery of democracy.

Mr. Grant Hill (MacLeod, Ref.): Mr. Speaker, the association is not nearly as tenuous as the finance minister said. CDC owned Connaught 100%. It did not have a hands-off relationship with Connaught. There were major significant dealings going on in those days. For instance, Connaught lost the Red Cross licence in those days.

Does the finance minister remember that tiny little detail?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the answer to the question is no. I do not remember that.

The CDC director, the most knowledgeable and nominated by the government, has said that he had no recollection of this matter ever being discussed at the CDC board which was the only board on which I happened to sit.

• (1420)

I would be delighted to make public whatever papers I have available but I have no such papers. I have asked the government to look at its papers and if we have them we will make them available to the hon. members.

The Speaker: I again remind hon. members that it must go to the administrative responsibility of the government. Although the Minister of Finance rose to answer the question, I will be listening very carefully, and it must go to the administrative responsibility of the government.

Mr. Grant Hill (MacLeod, Ref.): Mr. Speaker, the finance minister sat in cabinet when discussions were held on compensating these victims. He was one of the individuals who made the decisions. Can he not understand that there could be a conflict of interest?

By the way, the documents are available from the Department of Industry. Would he like to go over and get those documents from the Department of Industry? Will we get them?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, if there are documents and we can find them and make them available I am sure we will. As the Minister of Finance has already said, if there are documents then we will endeavour to make them available in a timely fashion.

Oral Questions

[Translation]

FUNERAL OF KING HUSSEIN

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, according to documents obtained by the *Globe and Mail* under access to information legislation in connection with the Prime Minister's failure to attend the funeral of Jordan's King Hussein, the Canadian army was apparently ready to transport the Prime Minister and it was in fact the PMO that dropped the ball.

Will the Prime Minister tell the House why Canada's chief of defence staff was forced to take public blame for the incident instead of the PMO?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we did not force the chief of defence staff to do anything. He is able to speak for himself. He does not need anyone to tell him what to do.

King Abdullah was here ten days ago and we discussed this matter. He understood perfectly well that I could not be there at that time. He was very happy to see the Minister of Foreign Affairs representing Canada.

He was ready to answer any questions from journalists about this but there were none.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, we were here and we did not understand why the Prime Minister was not there. That is what is important.

First of all, the Prime Minister is responsible for the integrity of his government. Is it not to be expected that ministers, such as the Minister of Human Resources Development, will refuse to take their responsibilities on various issues when they see the Prime Minister himself hiding behind his chief of defence staff in order to avoid his responsibilities?

Does the bad example not come from the top?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I apologized to everyone for not being there. I wanted to be there. I could not get there.

I spoke with King Abdullah himself and he was very understanding. He told me that he was actually surprised that 30 countries, including Canada, were able to send representatives, with the funeral taking place 22 hours after his father's death.

He was ready to answer questions from the press. There were none. The proof that he was not offended by what happened is that Canada was the first country he visited in North America and he was very pleased with his talks with the Prime Minister of Canada.

Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ): Mr. Speaker, the documents obtained by the media under the Access to Information Act are clear: the PMO is behind the Prime Minister's absence at the funeral of King Hussein. We will recall that the army

exposed itself to public ridicule in order to protect the Prime Minister in this matter.

My question is for the Prime Minister. We would like to know now who ordered General Baril to assume the guilt in the place of the Prime Minister so as to permit him and his office to save face?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, really, they are so used to talking about humiliation that they would like General Baril to say that he was humiliated.

General Baril assumed his responsibilities. He knew very well that I wanted to be there. Neither General Baril nor I feel humiliated. Neither does King Abdullah, who was very satisfied with his meeting with the Prime Minister of Canada ten days ago.

• (1425)

Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ): Mr. Speaker, let us be clear. The documents obtained by the media show that the army had a plane in readiness for the Prime Minister three days prior to the death of King Hussein.

This is totally opposite to what the Prime Minister said in this House for a week, when he maintained he wanted to go to Jordan but that the army had not been able to take him there.

In the light of this information, is the Prime Minister's conscience not bothering him a bit after the statements he made here in this House?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there was a plane ready; and the Minister of Foreign Affairs was able to go.

The fact of the matter is that I was not in Ottawa, I was in British Columbia. The plane was ready in Ottawa, but the plane was not waiting for me in British Columbia. This is what General Baril explained and what the Bloc does not understand.

* * *

[English]

THE ENVIRONMENT

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, last year the environmental watchdog indicted the government for its environmental failures. This year it is an outright conviction.

Let me read the following, "There is no reliable data on the sales and use of pesticides", and "Senior scientists from all departments consistently express deep concern about the government's declining ability to undertake research for the public good". How long will the government tolerate this incompetence?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have received the report. I am very happy that we appointed this officer to look into the matter.

Oral Questions

On the contrary, we decided there might be some problems and we needed a commissioner who would report to the House of Commons once a year. Each year in office he has given us the report we asked for. He is making recommendations and every department will make sure it has been studied and the corrections made. It was an initiative of this government that permitted the commissioner to make the report today.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, it is time for the government to listen to what the environmental commissioner has to say about the government's record of performance.

He reports that the cracks in the foundation threaten the federal government's ability to detect, understand and prevent the harmful effects of toxic substances on the health of Canadians and their environment.

Is this government proud of its record? When will the government take seriously its responsibility to protect the health of Canadians and their environment?

Hon. Christine Stewart (Minister of the Environment, Lib.): Mr. Speaker, as the Prime Minister said, we put the commissioner in place and we respect his report.

In the last two years the government has budgeted \$82 million to deal with toxic substances. Senior officials in all departments who carry out studies with regard to toxics are meeting together, analyzing the commissioner's report and will respond with an action plan.

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NATIONAL DEFENCE

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, the government's approach to expropriating provincial land in Nanoose, B.C. resembles that of a dictatorship. It is giving the appearance of negotiating in good faith only to use a sledgehammer to enforce its will when negotiations fail. This approach can only be viewed as threatening to all provinces that dare oppose the government.

The minister of fisheries said two weeks ago that he wanted to give B.C. every opportunity to reach an agreement yet two days later the government moved to expropriate.

My question to the Prime Minister is what took place in those two days after the negotiations that caused the breakdown? Why is the government exercising extreme measures in the imposition of its will on this matter?

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, the government wanted to negotiate for two years, since the British Columbia government indicated its concern and said that it would cancel the lease at Nanoose Bay, a vital

defence facility. We have been attempting to resolve this matter and thought we were getting close. We were offering a lot more than the property was worth.

However, at the 11th hour the B.C. government threw in this red herring about nuclear vessels coming into the area. There are quite obviously no nuclear weapons being tested in the area and there never will be. This has operated for 34 years—

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

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I take from that response that when negotiations fail we bring in the big guns.

Canadians expect the government to obey its own laws but we have seen the government breach contracts, ignore constitutional conventions and now commence an unprecedented expropriation. Pearson airport, helicopter contracts and APEC come to mind.

My question is for the Prime Minister. When did native rights and provincial jurisdiction become so insignificant that the government is willing to ignore them in pursuit of its own negotiation? What options did it consider before it brought in these harsh measures?

• (1430)

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, as I indicated, this is a facility that is vital to Canada for defence and security purposes. In fact it is necessary for the testing of equipment that will be used under water for weaponry. If we were not able to do that then we would be putting at risk our Canadian forces personnel.

I have a hard time understanding the position of the Conservative leader, together with the positions of the Bloc Québécois leader and the Premier of British Columbia. What a combination.

We are operating in the interest of Canada and in the interest of British Columbia in proceeding to keep that base open.

Mr. Gary Lunn (Saanich—Gulf Islands, Ref.): Mr. Speaker, the minister had better add the Reform Party to that list because the issue is strictly expropriation.

The federal government is in the process of confiscating B.C. lands which belong to the people of British Columbia. In 1984 the federal government went to the Supreme Court of Canada to seek ownership. The Supreme Court of Canada said no.

Under the Constitution it belongs to the people of British Columbia. What has changed since 1984? What allows you to violate the high—

The Speaker: I ask all hon. members to direct their questions through the Chair.

Oral Questions

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, we are following a proper lawful process with respect to this expropriation. We did not want to go with this process. We used every opportunity to negotiate. We offered them a lot more than what it was worth.

This defence facility should not have been linked to the Pacific salmon treaty in the first place. It should not be linked to other issues. We should deal with it completely on its own merit. This is a vital defence facility.

We have tried every means to settle this matter with British Columbia but it wants to play politics with it and it looks like the Reform Party wants to play politics too.

Mr. Gary Lunn (Saanich—Gulf Islands, Ref.): Mr. Speaker, the politics are obviously coming from the Government of Canada on this issue. Expropriation is the issue here. It is absolutely unacceptable. It violates the Constitution.

How does the government justify expropriation in this instance or any instance? Is it prepared to start expropriating all of Canada in the interest of national security?

I want to know what has changed since 1984. Is the government prepared to confiscate land which rightfully belongs to the people of British Columbia?

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, we are talking about the seabed, in other words the mud underneath the water there. That is what we are talking about. We are talking about paying full market value, fair market value. We would not pay any less. In fact we offered an awful lot more than that and the government of the province of British Columbia turned it down.

The mayor of Nanaimo and the mayors and the community leaders in and around that area know the economic value of the Nanoose Bay range: \$6 million to \$8 million and many jobs for their economy. They want to keep it open.

* * *

[Translation]

TAINTED BLOOD

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, from 1981 to 1986, the present Minister of Finance was on the board of the Canada Development Corporation. It owned Connaught, the company responsible for importing and distributing blood products, at the time of the tainted blood scandal.

We know that the government has made a decision to compensate only those who received tainted blood after 1986. Did the

Minister of Finance abstain when this question was decided in cabinet?

[English]

The Speaker: The hon. Minister of Finance is on his feet, but that question does not go to the administrative responsibility of the minister. The hon. Minister of Finance, if he wants to answer.

[Translation]

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, I am going to respond.

Connaught Laboratories were a subsidiary of a subsidiary of the Canada Development Corporation. I was on the board, but I must point out that both Connaught and the other company, the parent company, had their own boards as well.

The government administrator, the one most involved, has said that this was not the kind of thing discussed in the CDC, and that he had no recollection of this event. Nor do I.

• (1435)

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, did the Minister of Finance not have a hand in a decision that was very much in his interest, by denying all government responsibility toward victims of tainted blood prior to 1986, when he himself was—

The Speaker: That question is not in order.

* * *

[English]

GOVERNMENT GRANTS

Mr. Chuck Strahl (Fraser Valley, Ref.): Mr. Speaker, we now know that the Prime Minister announced a \$600,000 grant in his riding months before the project had been approved, and coincidentally just weeks before the federal election. Since only the Prime Minister knows when an election will be called, it is clearly and simply a case of announcing pre-election goodies.

The Prime Minister would have us believe the grant was awarded after careful review, but program officer Lionel Bergeron thought differently when he said in a memo “This project has been announced by the Prime Minister. Its approval is urgent”.

How could the Prime Minister deny that he was just trying to influence voters in his riding by getting this grant before it went through the proper circle?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, this project had been discussed

for years in Shawinigan. It is the kind of project that is badly needed in a district where unemployment is very high in the Saint-Maurice riding.

Everyone had been talking about it. Everyone supported the project, including the hon. member for Saint-Maurice who has done his job as the local member for Saint-Maurice. We are very pleased that the project has worked and has indeed created the jobs that it was supposed to bring to the region.

Mr. Chuck Strahl (Fraser Valley, Ref.): Mr. Speaker, it may have been badly needed but it may have been because an election was just around the corner.

The Prime Minister and the Minister of Human Resources Development keep trying to convince us that this was a normal grant process, but let us look at the facts.

The Prime Minister announced a \$600,000 grant just before an election, three months before the officials in the federal department approved it and six months before Quebec approved it. His public announcement was then used by the bureaucracy as an excuse to rapidly move it through the system and guarantee its approval.

No other MP could ever get away with making that announcement before it was properly approved. Why does the Prime Minister not just admit that the reason the grant was approved was that he announced it ahead of time?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, the project was announced by the Prime Minister and by me. We then realized that we had a better vehicle for that particular project.

The reason for the delay was that we used another program to deliver that particular project. That is the reason that explains the little delay. It was nothing like the kind of innuendo the Reform is trying to bring about.

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[Translation]

TAINTED BLOOD

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, in recent months, as a member of cabinet, the Minister of Finance has taken part—or had the opportunity to take part—in discussions on compensation for tainted blood victims.

My question to the minister closely relates to his responsibilities and is very simple. During these discussions, did he abstain from talking, yes or no? This is simple enough.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, this is a decision that has nothing to do with the Minister of Finance at this time.

The minister was a director of CDC until 1986, when he resigned. He was one of the government's representatives with that

company, which was held by a majority of private interests. The minister clearly told the House that he did not take part in any decision, that he did not remember anything.

The House must take the minister's word that he was never in a conflict of interest situation.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it is never anyone's fault, on the other side, when things happen.

● (1440)

Through these discussions, was the Minister of Finance involved in the decision not to compensate those who became tainted blood victims before 1986? Did he take part in that decision made by cabinet? If so, does he agree that this decision was very convenient for him, since he has some responsibility in this?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of Finance had absolutely no personal interest in this issue. He stopped being a member of the board of that corporation in 1986.

He told the House that he does not remember ever discussing the tainted blood issue when he was with CDC, nor do the other directors of that company. Based on that, the Minister of Finance was never, at any time, in any conflict of interest situation.

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[English]

GOVERNMENT GRANTS

Mrs. Diane Ablonczy (Calgary—Nose Hill, Ref.): Mr. Speaker, the RCMP is now investigating a close crony of the Prime Minister's for violating the Lobbyists Registration Act. René Fugère called and met with government officials to get another \$100,000 for a self-confessed embezzler who owns a hotel in the Prime Minister's riding.

Will the government explain how an unregistered, unpaid Liberal aide was able to get an additional \$100,000 from Canadian taxpayers?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, first of all, Mr. Fugère was not an aide. Second, the matter has been referred by the ethics councillor to the RCMP for investigation.

Mrs. Diane Ablonczy (Calgary—Nose Hill, Ref.): Mr. Speaker, I know the government would like to hide on this, but there are hundreds of lobbyists just off the Hill who would love to know why they have to register their efforts while friends of the Prime Minister's get away free of scrutiny.

Perhaps the Prime Minister could explain to them how an unregistered, unpaid lobbyist can get grants and loans of this size from the federal government?

Oral Questions

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the question answered itself. If in fact he was obliged to register then the RCMP will proceed with the matter.

In the meantime it is appropriate that the complaint be referred to the police for investigation. We will see what the outcome of that investigation is.

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[Translation]

EMPLOYMENT INSURANCE

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, in the EI quota scandal, documents obtained under the Access to Information Act indicate as follows:

At the risk of repeating ourselves, the lack of success in reaching targets could result in as many as 150 full time job losses.

Bearing this in mind, does the minister still stand behind what he told this House on February 4, and I quote “The 150 employees in question. . . do not have knives at their throats. We are not threatening to fire them”.

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, I have always told the House that employees of our department are protected by a collective agreement and that, in a department such as mine, reassignments from one division to another are constantly taking place. We are very rigorous managers.

As for the so-called quota scandal, which the member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques is so fond of mentioning, I would like to point out that Québec’s PQ government recently went after \$100 million in welfare fraud and came up with \$112 million.

As branch employees, you should take a look at what head office is doing, and you will see that that is the direction modern management is taking.

The Speaker: Members must always address the Chair.

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[English]

THE ENVIRONMENT

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton—Springdale, Lib.): Mr. Speaker, my question is for the Minister of the Environment. Companies should not be allowed to release toxic substances into the environment. Will the minister crack down on companies that pollute our environment?

Hon. Christine Stewart (Minister of the Environment, Lib.): Mr. Speaker, the government is very concerned about the threat of toxic substances in the country, both their effects on the environment and on human health.

That is why we are bringing in new CEPA legislation, environmental protection legislation, which will cause companies to prevent pollution from toxic substances.

That is why we have brought in new regulations to promote better voluntary commitment to dealing with toxic substances.

That is why the government has brought forward \$80 million in the last two budgets to deal with the management and the science around the use of toxic substances.

• (1445)

We will make sure that industries and all Canadians comply with our legislation.

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KOSOVO

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, NATO is moving ever closer to sending ground forces into Kosovo.

The U.S. and Britain are in a substantial debate over this particular issue, but Canadians have not heard a whole lot from our defence minister.

Will Canada send ground forces into Kosovo prior to the reaching of a peace agreement?

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, there are no plans to do that, as we have said on many different occasions. There are no plans by Canada and there are no plans by NATO.

The military planners of course are always looking at different options to make sure that we are prepared for whatever circumstances they may be asked to survey.

As has been said before, that is a decision that will be made by the Canadian government and it will be made by NATO. If there is any decision to change the mandate from one of a peacekeeping force after agreement parliament will be consulted.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, that is not very reassuring, coming from the mouth of the defence minister, as to whether we will send ground troops prior to a peace agreement.

It is incumbent upon the defence minister to make it absolutely clear to Canadians and to this parliament whether Canada will send troops into Kosovo prior to the reaching of a peace agreement.

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, I have made it abundantly clear. No, there are no plans to send ground troops in prior to a peace agreement being reached.

That is the plan of the Canadian government, which was discussed in this parliament, and that is the plan of NATO.

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GOVERNMENT GRANTS

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, my question is for the Prime Minister.

Will the Prime Minister explain to the House why he announced a \$600,000 grant for a hotel in his constituency three weeks before that same hotel even submitted a business plan to federal officials?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, I have just said to this House that the very program we intended to use for that project did not require a business plan. We wanted to use a targeted wage subsidy—

Some hon. members: Oh, oh.

The Speaker: Order, please. The hon. Minister of Human Resources Development.

Hon. Pierre S. Pettigrew: Mr. Speaker, all of the information necessary to receive a targeted wage subsidy had been submitted and approved by our department.

We subsequently decided to use the transitional jobs fund instead, for which a business plan is needed. It was requested and it was received.

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NATIONAL DEFENCE

Mr. Svend J. Robinson (Burnaby—Douglas, NDP): Mr. Speaker, my question is for the Minister of National Defence.

The Liberal government is abusing its powers to expropriate B.C. land in Nanoose Bay so that the U.S. navy can bring nuclear warheads into the Strait of Georgia.

Why did the government walk away from the agreement that it signed through its negotiator on May 5 and why is the government taking its orders from the Pentagon instead of the people of British Columbia who voted in 1992 in their legislature, 51 to 1, to declare British Columbia a nuclear weapons free zone? Why will the minister not listen to the people of B.C.?

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, I have made it abundantly clear that there has never been any testing of nuclear weapons and that there would never be testing of nuclear weapons now or ever in Nanoose Bay. That is absolutely illogical and the hon. member knows it.

Second, with respect to nuclear weapons being aboard any of the U.S. vessels that come into the area, it is the policy of the U.S. government not to do that. However, it is also its policy not to

identify whether there are nuclear weapons on any particular ship in any particular location in the world. It does that as a deterrent, as a general policy. We have understood that for 34 years. There has never been any problem and there will not be.

Mr. André Bachand (Richmond—Arthabaska, PC): Mr. Speaker, on the Nanoose Bay subject I ask the Prime Minister again: Is this heavy-handed approach justified, putting American military interests ahead, I repeat, ahead of the rights of the province and aboriginal people? What price will Canadian taxpayers suffer this time?

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, there is one thing that the Conservatives and the Reform have in common on this issue: we cannot accuse either one of them of being consistent.

The leader of the Conservative Party is reported in one publication as blaming the Premier of British Columbia and in another publication as blaming this government.

• (1450)

Meanwhile we have the Reform Party being critical today and yet the member for Saanich—Gulf Islands, who stood previously, is quoted as saying there is no question the Nanoose Bay facility must be protected against the Clark government's threat to terminate the lease and the hon. member's colleague for Esquimalt—Juan de Fuca is saying "I think the federal government did the appropriate thing".

[Translation]

Mr. André Bachand (Richmond—Arthabaska, PC): Mr. Speaker, the minister has just told us that, whenever a premier or a province does not do what the federal government wants, the government will take exceptional measures, such as expropriating crown land.

This is unacceptable. This is one of the rare occasions on which the federal government will expropriate provincial lands. Is that the new way of negotiating with provincial governments?

[English]

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): I agree, Mr. Speaker, it is a very rare example. It is not something that we want to do. We did not want to do it in this particular case. We only did it because the Government of British Columbia gave us no choice. It would not negotiate.

We offered a lot more than what this property is worth. Having turned that down and having tried to link it to fisheries, nuclear weapons and all of that, we said "No. Enough. We will follow the legal process. We will go through the due process of law in the expropriation of the seabed and we will give fair market value for it. It is a facility that is vital for our national interests and has been operating for some 34 years.

*Oral Questions***ABORIGINAL AFFAIRS**

Ms. Maria Minna (Beaches—East York, Lib.): Mr. Speaker, my question is for the Secretary of State for Children and Youth.

Questions have been raised concerning the aboriginal human resources development strategy with regard to access to services for urban aboriginals.

Since the strategy is designed to provide aboriginal people with access to programs and services regardless of status or residence, can the minister give an assurance that the urban aboriginal population will in fact receive its fair share of benefits under the new strategy?

Hon. Ethel Blondin-Andrew (Secretary of State (Children and Youth), Lib.): Mr. Speaker, the Government of Canada is sensitive to the needs of all aboriginal people regardless of where they live. That is why the aboriginal human resources development strategy takes in the needs of all aboriginal people regardless of their location.

The strategy also includes a \$30 million component over a five year period. That is a substantive contribution of \$150 million.

First nations, Inuit and Metis people are also responsible for their people no matter where they live in Canada.

This should enhance the urban component of the strategy. The government used the latest data available to develop the resource allocation model.

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TAXATION

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, last week the Minister of Justice was quoted as saying that she had no idea why anyone would think Ottawa is considering a fuel tax hike. However, at the same time last week provincial transport ministers were informed by a senior federal government official from the Department of Transport that a gas tax is a possibility.

Canadians would like to know who is speaking for the government, the minister or the bureaucrats? Will there or will there not be a gas tax?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, since the question involves the Minister of Finance, the Minister of Transport and the Minister of Justice, perhaps I can answer.

When the Reform Party has nothing to talk about it dreams about the carbon tax. There is no budget planned for between now and February and there is no plan for a carbon tax, but I am informing the Speaker that whenever the Reform Party is short of questions it will ask about the carbon tax.

[Translation]

BILL C-77

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Mr. Speaker, Bill C-77 deregulates bus transportation and does away with the Commission des transports du Québec's jurisdiction over all transportation companies providing interprovincial service.

Does the Minister of Transport confirm that, under Bill C-77, any bus companies providing interprovincial service will be able to compete with the public transit companies in the cities of Quebec, such as the STCUM in Montreal, on the most profitable routes?

[English]

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, this bill is the result of five years of discussions and consultations with the provinces. A consensus has been reached that now is the time that we should bring forward measures that would deregulate the industry further.

• (1455)

However, I realize that there are different points of view in different provinces. Therefore, the legislative process is all about hon. members bringing forward their concerns, having them debated in the House, having them debated in committee so that we get the best law possible for all Canadians.

* * *

[Translation]

EMPLOYMENT INSURANCE

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, in 1993 the Prime Minister, at that time Leader of the Opposition, said that we must attack the economy, not the unemployed. In March 1999, a Department of Human Resources Development report stated that women and young people were the most affected by employment insurance changes.

My question is for the Prime Minister. Is he going to tell his Minister of Human Resources Development to make the necessary changes to help this country's unemployed?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, this government has adopted a number of policies since 1993 which have made it possible for the Canadian economy to create 1.6 million jobs throughout the country.

The government has undertaken a process of employment insurance reform which has invested far more into helping the unemployed to get back into the work force. We have created a job

Oral Questions

creation fund of \$30 million annually in order to create jobs in regions where the rate of unemployment remains very high.

We have implemented a lot of measures to assist workers, precisely—

The Speaker: The hon. member for Saint John.

* * *

[English]

NATIONAL DEFENCE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I have been informed that the recommendations of the Commander of Land Force Canada regarding reserve forces were completely new, were done without any consultations whatsoever and took everyone by surprise.

My question is for the Minister of National Defence. Is this what he refers to as meaningful consultation or is this just how decisions are made in DND?

Hon. Arthur C. Eggleton (Minister of National Defence, Lib.): Mr. Speaker, consultations are taking place. This is a proposal. In fact some of the reserve people were involved in putting this proposal together.

It is now up for discussion. No decision is going to be made until everybody has had an opportunity to provide their input on this plan or some other plan. There is no determination yet as to what will be the final resolution. We know that we need to make some changes. We certainly want to make the best possible changes for the armed forces and we want to consult all of the stakeholders.

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SCIENCE, RESEARCH AND DEVELOPMENT

Ms. Susan Whelan (Essex, Lib.): Mr. Speaker, as the 21st century rapidly approaches, the number of women joining the field of science and engineering is too low.

Can the Secretary of State for Science, Research and Development ensure Canadians today that both qualified men and women will have the opportunity to choose science and engineering for their career?

Hon. Ronald J. Duhamel (Secretary of State (Science, Research and Development)(Western Economic Diversification), Lib.): Mr. Speaker, Canadians have generally accepted that the rate of participation by women in the natural sciences and engineering sectors is too low. In fact, it is less than 12%.

NSERC has also recognized this and it put forward a university faculty awards program where there are opportunities for women. They are chosen like any other individual. They go through the

very same steps. They must have a research project that is at the leading edge of their expertise.

By providing the right tools, by providing the right role models, we will have more women and men participating in science and technology.

* * *

TAXATION

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I would like to assure the Prime Minister that the Reform Party is never short on questions, but the government always seems short on answers.

If government bureaucrats in the departments are saying there is a gas tax and Maurice Strong, an advisor to the Secretary General of the United Nations and a passing acquaintance of the Prime Minister, is saying that a gas tax is inevitable, if not today then tomorrow, why would Canadians believe the government when it says there will be no gas tax?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I give a carbon copy of the carbon tax answer I gave earlier.

* * *

[Translation]

THE ENVIRONMENT

Ms. Jocelyne Girard-Bujold (Jonquière, BQ): Mr. Speaker, the environment commissioner, Brian Emmet, this morning tabled a stunning report that concludes the federal government is incapable of implementing its environmental legislation.

My question is for the Minister of the Environment. How can the minister claim to be defending the environment when 75% of the reductions in the release of toxic substances reported to her are misleading, in the opinion of her own officials?

• (1500)

[English]

Hon. Christine Stewart (Minister of the Environment, Lib.): Mr. Speaker, the government welcomes the report of the commissioner for the environment and sustainable development and certainly I do. It is very important to this government that we protect the environment for the sake of the environment itself and human health to the highest level.

Many departments in the government work together in science and research and in setting policy. We have a senior committee of departments of the government that will work together to put an action plan in place in response to the commissioner's report this year to protect Canadian health and the environment.

*Routine Proceedings***ROUTINE PROCEEDINGS**

[Translation]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 13 petitions.

* * *

• (1505)

[English]

PETITIONS

NUCLEAR WEAPONS

Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, the first petition I present today calls upon parliament to advocate the adoption of the Standing Committee on Foreign Affairs and International Trade report regarding reducing the political value of nuclear weapons for the 21st century. The petition also calls upon the Government of Canada to adopt the report as official policy, to implement all of the recommendations fully and promptly and to harmonize existing government positions and programs with the spirit and the intent of the report.

PESTICIDES

Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, this petition calls on parliament to enact an immediate moratorium on the cosmetic use of chemical pesticides until such time as their use has been scientifically proven to be safe and the long term consequences of their application known.

NISGA'A TREATY

Mr. Werner Schmidt (Kelowna, Ref.): Mr. Speaker, the petitioners from Kelowna, Westbank, Peachland, Surrey and Vernon pray and request that parliament for a number of reasons reject the Nisga'a treaty.

[Translation]

HOUSING IN NUNAVIK

Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.): Mr. Speaker, I would like to table a petition from the Inuit community of Kuujuaq in Nunavik.

According to the petitioners, there are 16 to 20 people living in three bedroom dwellings in the winter. The Inuit find the housing conditions in Nunavik extremely distressing. They consider the situation totally intolerable. It contributes to the high incidence of the tuberculosis, infectious diseases and social problems.

The federal government must assume its obligations on housing under the James Bay and Northern Quebec Agreement.

[English]

GUN CONTROL

Mr. Nelson Riis (Kamloops, Thompson and Highland Valleys, NDP): Mr. Speaker, it is an honour to present a petition pursuant to Standing Order 36 on behalf of quite a number of constituents from the greater Kamloops area.

The petitioners point out the concern Canadians have regarding violent crime and violence on our streets. Polls indicate that 90% of Canadians do not believe stricter gun control laws will actually prevent more violent crimes. The petitioners point out a number of studies which show that while violence has been a problem, stricter gun control laws have been ineffective in changing anything. The petitioners also point out that in 1997 the RCMP investigated over 88,000 cases regarding violent crimes and only .08% involved the use of firearms.

The petitioners are suggesting that Bill C-68 which is obviously costing hundreds of millions of dollars is a wasted piece of legislation and the government should be doing a number of other things which they articulate in terms of more effective ways to fight crime.

CASSINI SPACE MISSION

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, the first petition I am presenting is on behalf of some constituents of my colleague the hon. member for Kootenay—Boundary—Okanagan.

Mr. Hans Karlow and 29 others of Oliver, B.C. have drawn the House's attention to their concerns about the Cassini space mission. The plans are to execute a slingshot manoeuvre around the earth to give the spaceship the speed necessary for its trip to Saturn, but the spaceship has onboard 72.3 pounds of plutonium. The petitioners are concerned about the high risk of an incident which would expose the earth to catastrophic radioactive fallout.

The petitioners call upon parliament to support the UN General Assembly resolution as outlined in an emergency resolution of February 24, 1999 CRC.

CHILD PORNOGRAPHY

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, this petition is on behalf of my constituent Bryan Thirsk and 81 other constituents from North Vancouver who are concerned about the child pornography ruling that came out recently in B.C. They are petitioning the House to do all things necessary to rectify the problem by legislation instead of allowing it to persist. Mr. Thirsk gave me this petition because he had previously sent it to the minister asking for it to be presented and that has not been done.

IMMIGRATION

Ms. Colleen Beaumier (Brampton West—Mississauga, Lib.): Mr. Speaker, recognizing the valuable assets that immigrants have brought in the past and continue to bring to Canada, the petitioners request that landing fees and processing fees for immigrants be combined to total not more than \$500.

• (1510)

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I have a petition with over 1,000 signatories. They call upon parliament to ask the Department of Citizenship and Immigration to review the existing income requirements for sponsored immigration applications. They also request that more than one person be allowed to sponsor the same individual and share the responsibility of financial support for that immigrant.

GOODS AND SERVICES TAX

Mr. John Harvard (Charleswood St. James—Assiniboia, Lib.): Mr. Speaker, I have two petitions. The first one is signed by 687 fellow Manitobans who ask that the goods and services tax be exempt on all funeral expenses.

CANDU NUCLEAR REACTOR

Mr. John Harvard (Charleswood St. James—Assiniboia, Lib.): Mr. Speaker, the second petition is signed by more than four dozen residents of Manitoba. They are opposed to the sale of Candu nuclear reactors to Turkey for two reasons. They point out that the country is politically unstable and it is prone to frequent and at times very severe earthquakes.

CHILD PORNOGRAPHY

Mr. Roy Bailey (Souris—Moose Mountain, Ref.): Mr. Speaker, I am very pleased to present a number of petitions today from every corner of my constituency. These petitioners pray that the government take all measures necessary to ensure that possession of child pornography remains a serious criminal offence and that federal police forces be directed to give priority to enforcing this law for the protection of our children.

CANADA POST

Mr. John Finlay (Oxford, Lib.): Mr. Speaker, I have a petition signed by 58 residents of Canada who draw the attention of the House of Commons to the following. Rural route mail carriers often earn less than the minimum wage and in working conditions reminiscent of another era. Subsection 13(5) of the Canada Post Corporation Act prohibits RRMCs from having collective bargaining rights. This denial of basic rights helps Canada Post keep the wages and working conditions of RRMCs at an unfair level and discriminates against rural workers. Therefore the petitioners call

Routine Proceedings

upon parliament to repeal subsection 13(5) of the Canada Post Corporation Act.

HUMAN RIGHTS

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I am pleased to present a petition for the 50th time signed by a number of Canadians including from my own riding of Mississauga South.

The petitioners draw to the attention of the House that human rights abuses continue to be rampant around the world in countries such as Indonesia and Kosovo. They also acknowledge that Canada continues to be recognized as the champion of internationally recognized human rights. Therefore the petitioners call upon the Government of Canada certainly to continue to speak out against human rights abuses and also to seek to bring to justice those responsible for such abuses.

Mr. Peter Adams: Mr. Speaker, I rise on a point of order. I would be grateful if you would seek unanimous consent to return to presenting reports from committees.

The Speaker: Is there unanimous consent?

Some hon. members: Agreed.

* * *

COMMITTEES OF THE HOUSE

JUSTICE AND HUMAN RIGHTS

Mr. John Maloney (Erie—Lincoln, Lib.): Mr. Speaker, I have the honour to present in both official languages the 21st report of the Standing Committee on Justice and Human Rights.

In accordance with Standing Order 68(4)(a) and its order of reference dated Thursday, October 30, 1997, the Standing Committee on Justice and Human Rights was instructed to prepare and bring in a bill to amend those sections of the Criminal Code that dealt with impaired driving in order to enhance deterrence and ensure that the penalties reflect the seriousness of the offence.

The committee held hearings in Ottawa where witnesses and participants were broadly representative of those affected by, interested in and involved with the criminal justice system. These witnesses came from all parts of Canada.

Your committee adopted the report with 17 recommendations and also submits in accordance with Standing Order 68(5) the recommendations regarding legislative wording in the form of a draft bill.

Further, pursuant to Standing Order 109, the committee requests a comprehensive response to this report within 150 days.

S. O. 52

[Translation]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, we will be answering Question No. 169 today.

[Text]

Question No. 169—**Mr. Garry Breitkreuz:**

For each of the past five years: (a) how many gun smugglers and illegal gun traffickers have been (i) identified, (ii) prosecuted and (iii) convicted in Canada; (b) in each case, how many illegally-possessed firearms were recovered; (c) in each case, how many of these firearms were categorized as either prohibited, restricted or unrestricted; (d) in each case, how many of these firearms were previously registered; and (e) in each case, prior to the offence, how many of these individuals had ever applied for or registered a firearm?

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): I am informed as follows:

Justice Canada: Data pertaining to the number of gun smugglers and illegal gun traffickers who have been identified, prosecuted and convicted in Canada, the number and categories of recovered illegally-possessed firearms, as well as the registration related information are not available from the police and law enforcement community.

To date, smuggling is an offence under the Customs Act. The enforcement of this act and seizure of firearms pursuant to it falls exclusively under the jurisdiction of Revenue Canada, Customs and the RCMP, Customs and Excise Division. This provision under the Customs Act is not specific to firearms, it includes all commodities. Prior to December 1, 1998 the implementation date of the new Firearms Act, Bill C-68, an act respecting firearms and other weapons, first session, 35th Parliament, the only authority under which the other police and law enforcement agencies could seize firearms was the Criminal Code offence of illegal possession. Since that offence is all inclusive, the police and law enforcement communities records pertaining to illegal possession seizures do not specify smuggling or trafficking.

Among various other measures, the new firearms legislation created new offences and strict penalties for firearms smuggling and trafficking, provided controls for the import and export of firearms and created bans on many firearms with no legitimate use. The newly created offences empower the police and law enforcement agencies to pursue smuggling and trafficking charges specifically related to seized firearms.

The firearms licensing and registration system is the foundation for all of these enforcement and regulatory measures. In addition to the licensing and registration system, there will be a registry maintained containing specific information pertaining to all firearms seized or recovered by law enforcement agencies. The provision in the legislation which requires police and law enforce-

ment agencies to report all seized and recovered firearms is scheduled to come into effect in 2001. The gathering of such information on a national basis will provide administrative and investigative assistance to the law enforcement community and will provide the ability to more easily extract information pertaining to types of offences, specifics of the firearms recovered or seized, et cetera.

Revenue Canada: The Department of National Revenue has no data with respect to parts (a), (d) and (e) of the question. However, the following chart provides data related to seizures of firearms categorized as either prohibited, restricted or unrestricted that the Department of National Revenue carried out during the years 1994, 1995, 1996, 1997 and 1998.

While data is provided with respect to seizures of firearms, the persons from whom the firearms were seized cannot be identified as either gun smugglers or illegal gun traffickers as these seizures of firearms could have been from individuals who failed to declare they had a firearm in their possession or in their vehicle when they entered Canada.

	Firearms Seizures 1994-98 National Totals				
	1994*	1995*	1996	1997	1998
Firearms Non-Restricted*	N/A	N/A	287	306	285
Firearms Restricted*	N/A	N/A	1,183	1,102	1,290
Firearms Prohibited*	N/A	N/A	93	82	99
Total	1,889	1,714	1,563	1,490	1,674

* Data prior to 1996 is not available in the automated system under these categories.

[Translation]

Mr. Peter Adams: Mr. Speaker, I suggest that the remaining questions be allowed to stand.

The Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

● (1515)

[English]

REQUEST FOR EMERGENCY DEBATE

NANOOSE, BRITISH COLUMBIA

The Speaker: I am in receipt of a notice of motion for an emergency debate under Standing Order 52 from the hon. member for Saanich—Gulf Islands.

Government Orders

I have his letter. Would he care to tell us what it is all about precisely and in just a few words? I ask him not to read the whole letter but just to tell us what it is all about.

Mr. Gary Lunn (Saanich—Gulf Islands, Ref.): Mr. Speaker, to summarize it, as we heard in Oral Question Period the federal government has commenced expropriation proceedings in British Columbia. It claims it has been in negotiations for two years. This is unprecedented. I submit it would set an extremely dangerous precedent in Canada to allow this without even having some discussion here.

To my knowledge none of the opposition parties received any information from the government. We have no idea what negotiations have gone on. This would allow us an opportunity to question the government and find out what has been going on. This would be an extremely dangerous precedent that would open the doors for expropriations in other parts of Canada in an area where we do not want to go.

The government sought ownership of this land through the Supreme Court of Canada in 1984. It was rejected then. The court ruled that it was under the ownership of British Columbia in the Constitution.

I would submit, given all that, that an emergency debate would be appropriate so we can have an opportunity to find out what in fact the government has been doing to avoid this expropriation and what discussions have gone on with the province of British Columbia. To date we have had zero information from the government with respect to that.

The Speaker: I thank the hon. member for the explanation and for his letter. It is my ruling that this request does not meet the exigencies for an emergency debate pursuant to Standing Order 52.

GOVERNMENT ORDERS

[English]

PUBLIC SECTOR PENSION INVESTMENT BOARD ACT

The House resumed consideration of the motion that Bill C-78, an act to establish the Public Sector Pension Investment Board, to amend the Public Service Superannuation Act, the Canadian Forces Superannuation Act, the Royal Canadian Mounted Police Superannuation Act, the Defence Services Pension Continuation Act, the Royal Canadian Mounted Police Pension Continuation Act, the Members of Parliament Retiring Allowances Act and the Canada Post Corporation Act and to make a consequential amendment to another act, be read the third time and passed.

Mr. Scott Brison (Kings—Hants, PC): Mr. Speaker, it is a pleasure for me to rise to speak to Bill C-78. The government claims that the purpose of the legislation is to improve the financial management of the pension fund of federal public servants, the RCMP and the military. We should be very skeptical when the government claims to be doing anything to improve the conditions of the federal public service.

The government has acted in an unprecedented manner in opposition to our public service and has created the lowest level of morale in the history of the public service in Canada. There was the wage freeze our public servants have dealt with under the government. There was the back to work legislation and the government's refusal to utilize binding arbitration as a legitimate negotiating tool. There was the incredible level of layoffs.

For instance, there is the government's latest attack on the public service through the privatization of Revenue Canada and its attempts to create a new arm's length agency to administer the taxes of the country and take up to 40,000 public servants out of the public service. It is part of a continued attack on the public service of our country and ultimately one that will imperil the public service and the quality of services received by Canadians from their public servants.

The government is not interested in improving the financial management of the pension funds of public servants. The government is more interested in the cash windfall of \$30 billion that it can take from the public service pension plan through the legislation. The legislation provides the mechanisms through which the government can access that \$30 billion. The government is claiming that money will be used against the debt, but it is just a cash transfer on paper. It is not an actual cash transfer in terms of money going from one program to another. It is basically just a paper transfer.

Effectively what the government is doing, and it is quite cynical really, is taking this money and using a divide and conquer type of attack to pit federal public servants against Canadians at large by saying this money will go against the debts of Canadians at large. It is ignoring the fact that this fund was created through contributions by the public service and the federal government into their pension plans and that this fund was created to protect the public servants and their pension plans against the risks of future deficits.

● (1520)

This is particularly important given that part of the legislation will result in the pension being invested in private equity markets where there will be larger risks in the future. It is very important at this time when we are engaging in a potentially riskier investment strategy, which will provide a higher return ultimately. With that higher risk which is commensurate with a higher return we need to ensure the appropriate surplus exists. That \$30 billion should be

Government Orders

kept either within the public service pension plan or used to improve benefits for public servants who have had an unprecedented sustained attack by the federal government.

This is analogous to the federal government's EI fund strategy. The government has built a surplus since 1993 in the EI fund by maintaining unnecessarily high rates and at the same time slashing benefits. The government has an insatiable appetite for cold cash and that seems to be the only explanation for the continued expropriation of the pension fund.

We heard of expropriation earlier in terms of land and the Nanoose Bay issue where the government has taken the same arrogant approach to the financial management of our country either with the EI fund or in this case the public service pension issue.

To go back to the EI issue, the government is maintaining an egregiously regressive tax on lower income Canadians. For instance, a Canadian making \$39,000 per year will pay the same amount of EI premiums in terms of total EI premiums and contributions as someone making \$300,000. The government is taking that money from lower and middle lower income Canadians and using it to subsidize other program spending. It is simply not fair.

To add insult to injury, the result is that through the government's slashing of benefits EI programs are only available to 30% of those who pay into them, even with the absolutely devastating seasonal unemployment in Atlantic Canada where the economy dictates that a significant part of employment is seasonal.

There is some agreement that the government has a legal right to the surplus. If the government had a legal right to the surplus it would not need this legislation to access the surplus. The government is in the position to implement legislation, to bring forward bills and legislation to change the rules whenever it wants, and that is exactly what it is doing. The government does not have the ability to access the pensions of federal superannuates and federal public service pensions without the legislation. The government is changing the rules.

A private corporation does not have the ability to change the rules in this way. In a private pension plan there are typically agreements between the corporation and the employees on the contribution rates over the period of time and on the benefits. If there is a surplus there is a set of guidelines which the corporation follows in the division of that surplus.

It was not that many years ago that a gentleman by the name of Robert Maxwell jumped off his boat or fell or something. He faced an unfortunate demise off the side of his yacht. A few weeks later it was public knowledge that for several years he had been taking from the pension plans of his employees, many of whom were left

in tremendous financial straits due to the fact that he had been taking from their pension plan over a period of time. That is an example of what would happen if a company took this kind of approach to a private sector pension plan.

• (1525)

The government is saying that this is a defined benefit plan, that the government has all the liabilities and that the people who pay into it do not have any of the liabilities. As such the government is claiming that it would have the ability to do whatever it wants with it. The government sometimes points to a deficit in the fund which existed in the mid-eighties and the fact that the government paid the deficit. It was simply an accounting deficit that existed. The government wiped it out. It used the offsetting interest income surplus to do that.

It is a bit of a red herring when the government says that it paid off the deficit in this fund in the mid-eighties because in fact it used an offsetting interest income surplus to pay off that deficit. What is particularly offensive is that the government is going against its own rules with the legislation.

It was not that long ago that the Pension Benefits Standards Act, Bill S-3, was initiated in the Senate and passed by parliament. It outlined the proper procedure for pension plans to deal with the issues of surplus in private sector pension plans.

If the government were following these rules it would be behaving very differently than how it is actually behaving with the public service pension plan in Bill C-78. The government has set a double standard. It has one set of rules for the private sector and another set of rules for itself. It is changing the rules as it goes to fit whatever short term or long term political goals it has as a government.

This could create a very dangerous precedent in that private sector corporations could seek to forgo the guidelines set forth by the government in Bill S-3 that were designed to protect both corporations and the people who pay into the pension plans. Private sector corporations could forgo the following of those guidelines and legitimately say that the government has broken its own rules.

For instance, under Bill S-3, if a withdrawal takes place logically the plan members would expect to see a significant increase in benefits. Typically it would be commensurate with the levels paid into the private sector pension plan based on the contribution rates. For instance, if it were a 40:60 pay-in, with the employer paying in 60% and the employee paying in 40%, a withdrawal of 60% of the surplus would mean a commensurate increase of 40% in the benefits enjoyed by both current and future pension recipients.

Unfortunately this is another example where the government is participating in an unprecedented level of hypocrisy. It is asking the private sector to play by one set of rules and feels it can get away with playing by another set of rules which it is changing on

Government Orders

an ongoing basis. It is also a further example of the unadulterated attack on the public service in Canada.

It has long been acknowledged that public sector workers have accepted in some cases below market wages in exchange for job security and fairly decent but well deserved pension plans. Over time we have seen job security disappear from the public service. The wages in many cases are now far below those of the private sector. One of the arguments the government uses for the privatization of Revenue Canada is that if Revenue Canada were privatized it would have the freedom to pay employees of Revenue Canada or the new Revenue Canada agency more competitively to compete with the private sector.

The government is actually abdicating its responsibility for positive and constructive human resource management by saying that it cannot do that with the public service. It is privatizing a huge arm of the government, Revenue Canada. It refuses to deal with the systemic issues that are pervasive throughout the public service and is dealing with these issues with band-aid solutions that will create more problems in the long term.

• (1530)

Ultimately the morale of the public service is an issue that affects every Canadian. The quality of services and the value we receive for our tax dollars depends largely on the quality of the work of our public service. The quality of the work of our public service depends on the morale of the public service. There is a significant long term cost to Canadians whenever the government takes another attack on the public service. We should take very seriously the long term impacts of this continued attack on the public service.

Another issue is the anticipated premium increases for contributions to this plan which will increase from 7.5% of salary to as high as 11% of salary by 2010. This means that public servants will be paying a higher and higher percentage of their salary into the plan over time.

As the payroll deductions, or payroll taxes as some refer to them, continue to increase, it will become increasingly difficult to retain existing public servants and to attract young people, some of Canada's best and brightest to the public service. They will be attracted to better paying jobs in the private sector.

Our country needs a viable productive public service. Over time Canada has produced some exceptional accomplishments through our public service, as well as through the private sector. If we talk to some of professors and administrators at the universities who teach public administration, we learn that the skills being taught in public administration courses are not dissimilar from many of the courses being taught in business schools.

I come from a private sector background. I was involved in small and medium size businesses. I have an undergrad degree in business. I enjoy the private sector. I also have a public ethic which is why I am here.

Many Canadians who share the skills I have in terms of administrative abilities want to work within the public sector and have a public ethic. They may not be as interested in the private sector. In a lot of cases these people study business and enter businesses but really they would rather work productively to create a better public service. We need a greater focus on attracting some of the best and brightest, not just to business, but also to a public service that Canadians and public servants can be proud of.

The government has continued to reduce the quality of working conditions within the public service. Ultimately it will reduce the quality of services received by Canadians.

I am pleased to see that the government is moving toward seeing that the funds within these pension plans will be invested in external financial markets. I am concerned about some of the elements the government is going about doing this.

It is very important to realize that the public service pension funds will represent in the not too distant future about \$100 billion. The capitalization of the Toronto stock exchange is about \$650 billion. It does not take a lot of analysis to recognize that this potentially could have a huge impact on capital markets.

This would be a perfect opportunity for the government to move in separate legislation to increase the foreign content limits for Canadian pension investments, not just within these types of public pensions but also within RRSPs. Many people defend the current 20:80 rule on foreign content, that 80% of an RRSP for instance has to be invested domestically and only 20% can be invested offshore. Many proponents of that rule state it would have deleterious effects on the Canadian equities markets if we were to loosen that rule and allow Canadians to invest their own money offshore.

• (1535)

The influx of capital by the Canada pension plan and this public sector pension plan into Canadian equities markets represents a golden opportunity for the government to do what it really should do. It should reduce and ultimately eliminate the foreign content rule. I would suggest that up to 50% almost immediately should be allowed to be invested offshore so that Canadians can enjoy geographic diversification as part of their portfolios. In this case public servants could enjoy the kind of return on investment that is provided by geographic diversification.

The fact is that since 1993 the Dow Jones and other indices in the U.S. including Standard & Poor's, have far outstripped the growth in terms of equities that we have seen in the TSE. The TSE has grown by about 60% since 1993. During the same period of time the Dow Jones has appreciated by about 190% and the Standard &

Government Orders

Poor's 500 has grown by around 180%. Wealth being a relative thing, Canadians are getting poorer while our neighbours to the south are actually getting richer. This is a brilliant opportunity. I hope the government moves aggressively to address that.

The other issue is that the government has modelled the pension management board on the Canada pension plan investment board. It has ignored some of the recommendations made in this House and in the other place. A recommendation in the report relative to the Canada pension plan investment board from the banking committee in the other place said:

Directors of the Canada Pension Plan Investment Board collectively have a broad range of experiences and expertise. While the benefits of appointing directors with proven financial ability are clear, the committee believes that a majority of the directors should have expertise in pension fund management and other relevant skills.

That was very sound advice. Pension fund management is a very specific art or science. Someone who has managed a business may not necessarily be good at managing a pension fund. Business experience is not the sole criteria by which we should judge fund managers. This has been ignored by the government in this legislation and it continues to do its own thing.

The government is not seeking constructive input from this House or the other place. The government is not seeking legitimate public policy development. The government is only seeking from this House, from parliament, a rubber stamping of the ideas and legislation it wants to implement. This has to stop because the secular decline of the role of the parliamentarian will ultimately lead to the secular decline of democracy and its benefits to Canadians.

Ms. Angela Vautour (Beauséjour—Petitcodiac, NDP): Mr. Speaker, I want to thank my colleague in the Conservative Party for his comments.

I want to ask my colleague how he interprets the way the finance minister has been able to go into the UI fund. The finance minister figured out that the government could go in there, and I know there are certain words we cannot use in this House but we can think about them, and find a way to use \$25 billion paid by employers and employees. The government did not put a cent into the UI fund, but it found a way to actually take it and use it for other things while we know that less than 40% of the unemployed qualify for UI.

Being members from the Atlantic region, we know the impact. We know how many people right now are going without UI and without income. Minimum wage is very low in New Brunswick. Jobs are seasonal. Unfortunately, when we have programs to help in developing jobs, we often get refused for government funding because only seasonal jobs are being created. How can we try to create jobs in our region?

The government found a way to get \$30 billion. That is \$25 billion and \$30 billion which equals \$55 billion that the government has its hands on. It is a lot of money.

I wonder if the member is seeing what we are seeing, what the workers are seeing and what our brothers and sisters in the public service are seeing. This money is being taken. The government has found two pots. Let us face it. The Minister of Finance is very creative in finding ways to get money that is not the government's and using it for its own purposes.

• (1540)

It is also unfortunate that the President of the Treasury Board is refusing to recognize the inequality regarding pay equity. This is directly affecting the public service employees.

Does my colleague agree with me that we sometimes have to question what the government is doing?

Mr. Scott Brison: Mr. Speaker, I thank my colleague from the New Democratic Party for her question.

The issue is that the government has taken the EI program and fund, which existed for the benefit of workers and employers to enhance labour market flexibility which benefits all Canadians and the economy, and has created what is really an EI tax. Only 30% of those who pay into the EI fund actually qualify to receive benefits. As a result, 70% of that is an EI tax. Only 30% of the contributions to the EI fund are actually EI premiums. The government has taken an already complicated Canadian tax code and made it more complicated, less transparent and more confusing.

Through maintaining unnecessarily high EI premiums and slashing benefits at the same time, it has also created increased distortions. For instance, one of the goals of tax reform should be to reduce the distortions taxes may have on a particular part of the economy.

Canada has twice the unemployment rate of the U.S. We should be seeking to reduce the cost of the labour input to encourage more companies to hire people.

Instead by maintaining unnecessarily high premiums and by not developing more innovative programs, particularly in the areas of training and retraining, the government is denying labour market flexibility to Canadian companies and employees. That is absolutely unacceptable in a very competitive global environment.

In terms of the government trend of delving into the EI fund for other types of spending or in terms of using the public service pension plan, which is what we are talking about directly with Bill C-78, the government is in the position where it can change the rules as it goes. It can change the rules that will affect Canadians for decades while it is focused on its own limited goals which are focused on the next election. The impact of the next election and what the Liberals will be doing over the next couple of years to try

Government Orders

to win that election could be very negative for Canadians for decades in the future.

I have heard it said that politics is the natural enemy of public policy. I am afraid that in this case that is the case. The Liberals are changing the rules to suit their own short term political goals. They change the rules as they go. Unlike the private sector pension plans, where Bill S-3, the Pension Benefits Standards Act, sets out guidelines for the private sector by which the private sector is expected to abide, this government can actually change the rules.

The government is saying that there is nothing legally stopping it from delving into this fund. If there is nothing stopping it, why does it have to introduce legislation in this House, force closure and deny parliamentary debate in order to implement this legislation so it has access? The government knows that it cannot access the pension fund unless it breaks the rules so it is changing the rules. Why? Because it is the government and it does not respect the parliamentary process.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, we all know that when the government gets its claws on this \$30 billion, it does it, as the member has just said, because it is the government and it knows best.

There are many different options that could be used instead of this money being confiscated by the government and used for whatever political purposes it chooses. It could be given back to the people who paid the premiums in terms of refunds. It could be used to increase the benefits to individual members. It could also be used for other purposes.

• (1545)

Would the member of the Conservative Party who just spoke divulge to the House what his party's preferences would be on how this \$30 billion should be used since it clearly is opposed to the government taking it as it is.

Mr. Scott Brison: Mr. Speaker, a number of times during my speech I referred to Bill S-3, the Pension Benefits Standards Act, which sets out guidelines for the negotiations relative to pension surpluses.

There are guidelines that clearly lay out the role for negotiations with the contributors to the pension over the period of time, the employees and former employees, and with the employers as well.

I would suggest that the government engage in that kind of negotiation and discussion over a longer term and work through that process, as any private sector corporation would, with the employers and the contributors to achieve an agreement as to how that surplus should be divided.

While the size of the surplus seems huge, up to 50% of that money will be invested in the private equities markets. It is very important to note how unprecedentedly high the equities markets

are right now. Some economists are even pointing to threats of potential deflation and that our equities markets may be overvalued. Although some members may disagree, the price earnings ratios for our stocks are very high now. I believe they are the highest they have been since just before the Great Depression in 1929.

I do not want to be morbid nor do I want members to rush from the House to call their brokers or anything like that, but I would suggest that a large pension surplus is a good level of security against market fluctuations.

I do support the government moving toward investing this money privately in the equities markets. In the long term, that will maximize the return for public servants. However, in view of the increased risk and the commensurate increased returns, it would be prudent for the government to maintain a large surplus within the public service pension. I think that would benefit not just the government but also the employees and contributors over the long term.

Mr. Bryon Wilfert (Oak Ridges, Lib.): Mr. Speaker, I will be splitting my time with the hon. member for Wentworth—Burlington.

It my pleasure to speak today on the employee benefit improvements that will ensue from the legislation before us. The first thing I must do is clarify that as far as retirement benefits are concerned, improvements are the only effects that will ensue from the government proposals.

It has been alleged that the government proposals will somehow diminish the pension benefits of federal retirees and employees. I want to make it clear that this is absolutely false. Public service pension benefits are protected and guaranteed by law. Nothing in the bill will or can diminish those benefits. They will continue in full and be fully indexed for inflation as before.

Far from diminishing benefits, they will actually improve the employee benefit package in several concrete ways. As members may recall, two of these improvements have already been discussed in the House. They were introduced in the recent budget bill and will come into force on passage of that bill. Both involve changing the formulas used for calculating benefits and both changes favour the plan member.

The first formula to be changed is the basic one used to calculate retirement benefits for the public service pension plan. Up until now, that formula has been based on the plan member's average salary over six consecutive years of highest paid service. Other public sector pension plans use five as the number of consecutive years in their formula. From now on, under the amended legislation, so will public pension plans. In most cases, averaging over five years instead of six will mean greater benefits for plan members on retirement.

Government Orders

• (1550)

The second formula relates to the integration of the public service pension benefits with those of the Canada and Quebec pension plans. This new formula will produce a somewhat smaller reduction in benefits at that point. Two small changes in formula amounting to two concrete improvements to benefits for current members of the public service pensions.

The legislation before us today further improves the pension benefit package for federal employees. A proposed change will allow a survivor to waive entitlement to benefits after a member's death in specific circumstances.

Another change facilitating the administration of survivor benefit provisions will allow a survivor who cannot be located to be disentitled to survivor benefits. Currently, final determination of the payment of survival benefits can be delayed indefinitely when a survivor cannot be found. This is clearly unfair to those other persons whose benefits are affected.

Finally, for cases where two survivors are entitled to an annuity in respect of one plan member, the method of determining the percentage of the annuity payable to each survivor will be set out in the legislation. Specifically, each survivor will receive an amount that is directly related to the length of time he or she contributed with the deceased contributor in relation to the total amount of time the deceased cohabited with both survivors.

The bill also proposes changes to the supplementary death benefits and term life insurance to employees and retirees payable under the Public Service Superannuation Act. For example, the paid up benefit will be increased to \$10,000 from the current \$5,000. This paid up benefit will also be extended to another group of pensioners. Persons who retired on or after April 1, 1995, with an entitlement to an annual allowance payable within 30 days of ceasing to be employed will, if they elected to retain their SDB coverage, have entitlement to the paid up coverage at age 65.

Another change would see the coverage reduction of 10% per year delayed until age 66 rather than beginning at age 61. This means that the basic coverage of twice the salary for employees and the covered pensioners under 61 is extended by five years and that benefit coverage would not finally reduce to either one-third of the salary for employees or, in the case of pensioners, to the basic paid up amount of zero until age 75.

The new coverage reduction schedule would apply automatically to those employees and pensioners who have already reached the aged of 61. However, those persons who would prefer to remain on the current schedule would be given the opportunity to do so.

The benefit improvements also include the removal of the provision in PSSA and Canadian forces plans whereby persons

dismissed for misconduct could be denied access to any benefit other than a return of contributions.

Finally, there is to be another noteworthy improvement to benefits in the larger sense of the term. It is the new cost sharing dental plan the government intends to establish for present and future public service pensioners.

I will not elaborate here because strictly speaking the new dental plan does not form part of the legislative package but rather will be introduced under the authority of the Treasury Board once consultations are complete and full details are finalized. I merely mention the new dental plan in order to place it in a context to which it truly belongs, significant improvements that public service plan members can expect from their benefits package.

The public service pensioners of the present have no need to fear the proposed amendments to the public service pension plans. Their benefits are defined and guaranteed in law and will in no way be diminished. Today's pensioners can rest assured that the usual cheques in the usual amounts will keep coming as they always have.

As for public service pensioners of the future, they too have no cause to worry. The proposed amendments will leave their future benefits safe and intact. Plan members will continue to receive on retirement all that their pension plans have promised them. In fact, with the improvements currently proposed they will receive even more.

• (1555)

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, the member said a number of times that civil servants did not need to worry because everything was in place.

Why are civil servants worried? Why are they expressing their great concern over the bill to members of parliament? Why are they making all kinds of threats beyond that?

It seems to me that the government has failed in either one of two areas. It has either failed to actually provide fairness to the employees or it has failed to communicate it. I would like to know which one it is.

Mr. Bryon Wilfert: Mr. Speaker, there is no question that what I have outlined clearly illustrates the improvements to the plan. If anyone is concerned it is probably because they have been listening to the fearmongering by some members on the other side.

The benefits, as outlined extensively by members on this side of the House, clearly indicate that there are significant improvements. There is nothing to fear because the moneys will be there and there by law. I do not know what could be clearer than that. The moneys

Government Orders

are there by law. If there is a shortfall it will be covered. That has been the case all along and will continue to be so.

I would suggest to the hon. member that the old saying "There is nothing to fear but fear itself", in this case there is nothing to fear at all because it has been clearly outlined in black and white. If the member reviews the bill again I am sure he will come to the same conclusion.

Mr. Werner Schmidt (Kelowna, Ref.): Mr. Speaker, I cannot help but comment on this last statement that the money will be there if there is a shortfall in the fund. Many members opposite have indicated to us that the main reason the government wants this \$30 billion is because it is the taxpayers' money and the government is protecting the interests of the taxpayer.

I would like to ask the hon. member just exactly which side of the mouth the Liberal government is speaking from? On the one hand it says it is protecting the taxpayer by giving the money back to them and on the other hand it is saying that if there is a shortfall it will be taken away.

One way or another the taxpayer is going to be funding this. Whose money is it? A large part of it was the taxpayers' money and another part was the individual beneficiary's money. Who is going to get this money? Who are the Liberals actually trying to protect? It sounds to me like the only people they are really trying to protect are themselves and their greedy ambitions.

Mr. Bryon Wilfert: Mr. Speaker, I do not quite understand the greedy ambitions. I would point out to the hon. member that currently about 30% of the fund is supplied by the employees and the rest has been picked up obviously by the taxpayers. There is no question that when there was a shortfall it was covered by the taxpayers. One would assume then that there is a significant surplus. It has been pointed out by the actuary. There is more. The fact is that there is more than enough in the fund to take out the \$30 billion and it will be protected.

In whose interest is it? I would presume it is in the interests of the Canadian public, those who are contributing by way of being a taxpayer and those who are contributing by being a member of the plan. In both cases the moneys are there. This is something we accept in this society.

In terms of fairness, if one reads the legislation one would come to the conclusion that if the fund is covered during shortfall times, the moneys would come out when there is a surplus.

Mr. John Bryden (Wentworth—Burlington, Lib.): Mr. Speaker, I intend to devote my entire remarks on Bill C-78 to the word conjugal which has been the subject of much acrimony on both sides of the House.

I will preface my remarks by saying that I have been extremely disappointed in my government, or the advisers to my government, who chose to use the word conjugal to achieve what I think was a correct purpose to extend survivor benefits to same sex couples. Unfortunately they chose to do it in entirely the wrong way and it has caused division on this side and unhappiness. I am sorry that has occurred.

I would have thought there would have been very grave concern on the other side of the House about legislation that has the intention of providing survivor benefits to same sex couples, but does no such thing. It is that kind of ineptitude that makes me regret this particular aspect of what is otherwise a very good bill.

• (1600)

What was attempted in order to extend benefits to same sex couples was that the bill amends existing legislation which defines a survivor as a person of the opposite sex. Clause 25(4) of Bill C-78 redefines survivor as someone who is cohabiting in a relationship of a conjugal nature for a period of a year.

That came up during second reading and I saw the word conjugal. I know a little bit about words. I knew immediately that conjugal in any context does not mean same sex. It is a word that goes back 2,000 years, back to the early church in Rome. It is from two Latin words involving togetherness and yoking together. That is what it means explicitly. The history of the word has to do with conjugal rights and the whole idea that in medieval times, in the early church and even in the later church, the idea was that when one got married this legally permitted one to have a heterosexual relationship with the woman and procreate.

That was how the early church regarded it, both the Catholic church at the beginning and later the various Protestant churches. It has not changed. Go to any dictionary including Black's dictionary. One of the members mentioned Black's dictionary and suggested that conjugal means something other than a married relationship or a relationship involving sexual intercourse in the conventional fashion. Everywhere you go you can look it up and find that, Mr. Speaker.

I challenged the officials of the minister's department. I said "Explain to me why you are using the word conjugal in order to provide benefits to same sex partners". I was led to the 1997 Rosenberg court case. The court was examining the Income Tax Act provisions with respect to benefits to same sex couples. The court decided that same sex couples under the charter of rights should be entitled to the same benefits under the Income Tax Act as opposite sex couples.

The judge looked at a particular clause in the Income Tax Act which said in essence that a spouse is a person in an opposite sex relationship who is enjoying a conjugal relationship. It states that a spouse at any time of a taxpayer includes the person of the opposite

Government Orders

sex who cohabits at that time with the taxpayer in a conjugal relationship.

There are three ideas here: opposite sex, cohabits and conjugal relationship. The judge in the Rosenberg case ruled that in order to fulfil the intention of the charter we should read into this clause—and this is a judge creating legislation—that it should be a person of the opposite sex or the same sex who cohabits at that time with the taxpayer in a conjugal relationship. The judge added words but did not change the word conjugal which does not mean same sex. It does not mean that at all.

When I looked at that I said to the officials from the department “That does not prove a thing. Show me anywhere in law, anywhere in legislation, where conjugal is actually defined as pertaining to a same sex sexual relationship”. I looked at all the cases presented for me. There were lots of analyses of cohabit. There were lots of analyses of spouse, but nowhere in any of the things presented to me with my own research or with the assistance of the department could I find a definition of conjugal that includes same sex relationship.

What do we have? Let us go back to the original clause, Clause 25(4), and read it exactly:

For the purposes of this Part, when a person establishes that he or she was cohabiting in a relationship of a conjugal nature with the contributor for at least one year . . . then the person is considered to be the survivor of the contributor.

If we take that clause literally nothing has happened. In fact the clause entrenches the idea that only married couples, that is people in a conjugal relationship, can receive these benefits. The legislation actually fails to achieve what it was designed to achieve.

• (1605)

Yes, I support the bill, but I do not support the clumsiness of what was attempted in the bill. Let me go on the record as saying I believe the government has an obligation to find a way in which to recognize the genuine dependency that exists between same sex couples. We should enshrine that in legislation and we should pass laws, but we cannot let the courts do it because the courts are at the whim of a judge who is not concerned with writing legislation, who is merely concerned with expressing and interpreting ideas, who fails to appreciate that a word in existing legislation does not mean what he thinks it means.

Now we have the supreme court ruling in the *M. v H.* case in this past week. The supreme court is suggesting that the Ontario family law should be struck down because it only pertains to opposite sex couples cohabiting. In its decision it mentions that same sex couples can have similar relationships to opposite sex couples including conjugal relationships. I submit that the supreme court

judges have made the same error. If they would only go to any dictionary, English or French, they would never find conjugal referring to same sex relationships.

We have the judges and courts through, shall we say, a certain amount of literary ineptitude—and we should not be surprised by that because they are judges, not authors, not legislators—creating changes in the laws that are basically wrong. It belongs to parliamentarians to make those changes.

As a result of the case with respect to striking down the family law act, we understand that the provinces of Ontario and Alberta will have to redo their legislation to make sure that their family law legislation embraces same sex couples. Let them do that, but let them, for heaven's sake, avoid the word conjugal because conjugal specifically means heterosexual sex and married.

The reason there is division on this side is not because members do not want to see gay couples treated like everyone else. The reason there is division on this side is there is a genuine and honest concern about the implications of giving gay couples legally married status because in my view the big danger there is that it would give them then the right to adopt children as opposed to the privilege that they already now have. The right to adopt children would run the danger of extinguishing the rights of children.

In the end, while I will always try to champion the rights of every Canadian no matter what their differences from other Canadians, I have to always remember that it is not the place of this parliament to ever diminish or extinguish the rights of other Canadians, especially children.

I regret this legislation. It is an excellent bill but we used the wrong word. If we had used the word cohabit instead of conjugal, I think it would have been fine. If we had used dependent, I think it would have been fine. Anything but the word conjugal.

Mr. Eric Lowther (Calgary Centre, Ref.): Mr. Speaker, I am overwhelmed by the approach of this member. Certainly he has been thoughtful and has studied the bill. I commend him for that, but he leaves me with a number of unanswered questions.

I believe he is correct in saying that conjugal generally refers to a married type relationship. It does refer, though, to the sexual activity within a married relationship generally.

The new term used in the bill which has never been used before by his government is that two parties be in a relationship of a conjugal nature in the past, that they be in a conjugal relationship. They have changed it from one expression to a more loose definition, to a relationship of a conjugal nature. A moot point, perhaps, but it suggests that there is a less onerous requirement for the heterosexual type sex in the way they have used this term.

Government Orders

• (1610)

Regardless of this particular point in the debate, we have pressed the President of the Treasury Board several times to include a definition of what is meant by a relationship of a conjugal nature in the act. There is no reference to any kind of definition of it anywhere in the act so that the debate we are having today would not be necessary. That has been not dealt with. To his point I think that probably where this will end up, if this bill goes ahead, is in the courts. I am as concerned as he is that is where this will be decided.

I just wonder what he thinks the outcome will be in the courts. We had the minister tell us in the House that this was specifically intended to extend same sex benefits to those kinds of relationships. He specifically said the courts made him do it and the lawyers drafted it this way. What does the member think will be the outcome when this hits the courtroom?

Mr. John Bryden: In my view, Mr. Speaker, the government has said that it is being driven by the courts but I think it has interpreted the courts entirely incorrectly. The courts have not ruled on the definition of conjugal.

I think the real answer here is for parliament and the government to bring in legislation that sets this matter to rest once and for all: define cohabitation, define spouse, define marriage. We do not have to define conjugal at all because I do not believe we should be in the business of defining ourselves in terms of our sexual orientation. If we look at the legislation, if we look at the court decisions, we will find that what we are really talking about is dependency, cohabitation, this kind of concept. We can leave sex out of it entirely as far as I am concerned.

Mr. Scott Brison (Kings—Hants, PC): Mr. Speaker, I appreciate the hon. member's erudite and thought provoking interventions today in the etymology of conjugal and its relevance to this debate.

I wonder if the hon. member agrees with me that the Supreme Court of Canada has a very important role in interpreting the charter of rights, which was deliberately and politically developed to protect the rights of minorities; that the political process, particularly one driven by a populist environment, can be very dangerous in terms of the defence of minority rights; and that populism sometimes cannot be guaranteed or majority rules, for instance, which is the tenet of parliament, does not always serve the interests of minorities.

Is it the way parliament or the government has interpreted these rulings that bothers him as opposed to the supreme court making fairly significant and sweeping judgments in defence of minority rights that bothers him? I would like him to clarify that.

Mr. John Bryden: Mr. Speaker, I would say both. I think it is very important that the Supreme Court and the courts interpret for

us, but where we fail is when we fail as parliament to give the courts the proper tools.

Then we have a case in point where the supreme court is suddenly defining conjugal for us. I think it is a mistake and we have to get in there very quickly as parliamentarians before real damage is done.

Mr. Gurmant Grewal (Surrey Central, Ref.): Mr. Speaker, I will be sharing my time with the hon. member for Lethbridge.

I rise on behalf of the people of Surrey Central, federal public servants, RCMP officers who are retired and currently serving, our military personnel, and the families of all these people to speak to Bill C-78, the government's proposed changes to the public service pension plan.

The bill has become infamous on two counts. On the first count it is because Liberals will steal a one time windfall of \$30 billion. Second, it lets the courts decide the definition of marriage. It will allow pension benefits to be delivered based on conjugal relationships.

The Liberals have raided the pension plan surplus federal public servants have amassed in their very successful pension fund. The greed on the other side of the House is disgusting to watch. The lack of respect shown to Canadians by putting a stop to this seizure of wealth and the government preventing debate on this matter in the House is a disgrace.

The government is allowing members of the House four hours to deal with this huge 200 page bill, true to the Liberal's democratic style. It has used outright closure 5 times and it has used time allocation 47 times since 1993.

• (1615)

This is the very same government that has taken \$21 billion from the employment insurance fund surplus. The \$21 billion should have been returned to the employees and employers who could have created jobs with that money.

Today, through Bill C-78, which we are not allowed to debate for more than a few minutes, the President of the Treasury Board will take \$14.9 billion from the public service pension fund, \$2.4 billion from the pensions of RCMP employees and \$12.9 billion from the pensions of the Canadian armed forces, which adds up to \$30.2 billion.

The official opposition maintains that any surplus should remain in the pension plan to cushion taxpayers from future shortfalls. This would ensure the long term viability and guarantee the solvency of our public service pension plans.

In the past Canadian taxpayers have covered \$13 billion worth of shortfalls in these pension plans. Taxpayers will be on the hook for

Government Orders

future deficits in these plans and we on this side of the House feel that Canadian taxpayers should be protected.

The Liberals want to settle the matter of dealing with the \$30 billion surplus by passing Bill C-78 well before the next election in the hopes that the 645,000 pension plan members have short memories. That is not the case.

The Public Service Alliance of Canada says that the surplus money belongs to PSAC members and the government is stealing it. The word the union is using is stealing. It is a very serious charge.

The chief reason for the surplus in the plan is that it was assumed salaries would grow. The six-year wage freeze has reduced the liability of the plan. These surpluses will eventually slow down as wages are increased and today's lower interest rates kick in.

The money the government is taking establishes a precedent and sends a clear message to the private sector that it can follow the lead of the government and help itself to surpluses in employee funds.

This is the sort of government we have. We have a finance minister who cooks the books. We have a government that has no surplus in the Canada pension plan fund. That plan has been so mismanaged for 30 years that it could crash at any time.

Let us look at the history of the \$30 billion grab. The President of the Treasury Board created an advisory committee on the Public Service Superannuation Act to look at pensions within the public service. The committee carried on consultations for four years. It was comprised of members of the government, public servants, representatives of employees and pensioner associations.

Now we know that the Liberal minister did not even recognize the further negotiations recommended in the committee's report. The President of the Treasury Board is trampling roughshod over the committee's recommendations and doing what he pleases.

Bill C-78 enables the government to get its hands on surpluses, the ownership of which, while not clearly defined, is morally the property of employees and ex-employees, that is, the pensioners.

This bill will extend pension benefits to same sex couples. It will allow marriage to be redefined and unfairly exclude others. The change in the definition of marriage should not be left up to the courts. It is a decision for members of parliament to take right here in this Chamber.

Granting survivor benefits should have nothing to do with sex, as defined by conjugal relationships. Rather, the definition should be based on a relationship of dependency and companionship. The latter definition would include gay or lesbian couples, but would

also apply to a divorced daughter who lived with and cared for her elderly father after he retired from the federal government.

If we believe that what is fair is right, then we should do what is right.

Under Bill C-78 contributions would be deposited in retirement funds and then transferred to the public sector pension investment board. Who will manage the board? That is a big question.

● (1620)

The appointment process will be similar to the one used for the Senate. The appointees, who will be responsible for managing and administering this fund, will be the friends of the government. The Reform Party recommends that the new public sector investment board be comprised of qualified individuals and be accountable for the board's investment decisions.

This is how the Prime Minister appoints his friends to the Senate and the superior court.

Bill C-78 will allow the government, particularly the Minister of Finance, to take \$30 billion and say again that it has balanced the budget, paid down the debt and given Canadians some long overdue tax relief. That is what the finance minister will say. He will boast that he is a hero, but he will actually be a zero. If he did all of these things he would be carrying out the official opposition's agenda. Remember that in the health sector alone the government cut over \$20 billion in transfers to the provinces. Now, a few years later, it is boasting, saying that it will reinvest \$11.5 billion of the money which it siphoned off earlier. The government siphoned off more than \$20 billion and now it is reinvesting \$11 billion. That is outrageous.

The official opposition would leave the surplus in the account and see that it is well managed. There would be a great deal of consultation between the stakeholders and the government.

There should have been enough time allocated for debate to take place in the House. Shame on the Liberals.

In the little time I have I will quote from a letter I received from a constituent of Surrey. It states:

The height of hypocrisy is to take from the working class to line the pockets of a politician, to make yourselves look good by reducing the debt by 15 billion dollars and to steal from those of us who contribute honestly to a pension that we have come to depend upon for our retirement years.

The letter further states:

We, the regular working Joes and Janes who contribute to this plan, contribute on a dollar for dollar basis and hope to receive back that which we have contributed plus the employer's share for our hard years of service.

If you remove money from any pension fund or EI fund to reduce the debt you are in fact stealing from the people who have contributed to the funds for all these years and

Government Orders

are defrauding us of our money when you expect us to pay higher premiums when they are in fact totally unnecessary. Leave my pension fund where it is—

The letter concludes by stating:

As the voice of the people in parliament, if you sit by and do nothing you don't deserve your position of trust and if you allow the deficit to be paid down by the pension contributions of a few you are the biggest thief on the face of the earth and you deserve to be arrested for embezzling my pension money.

That is what my constituent wrote.

The Acting Speaker (Mr. McClelland): Just before we go to questions and comments, I want to put on the record that the use of the term "steal" is not something that we like to hear. I want everyone to know that I am paying particular attention to how it is used. If anyone uses the term "steal" in a general way, not referring to a specific individual, a specific ministry or a specific political party but to government as a whole, I will consider it to be broad enough to be acceptable. If it is used in any other context I will not, just so everybody understands what the ground rules are.

Mr. Tony Ianno (Parliamentary Secretary to President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, it is interesting listening to the hon. member from the Reform Party talk about the taxpayers' money and the government's money. It is all one and the same.

The pension plan is guaranteed. It is a legislated plan. It is guaranteed by the government and by the people of Canada and it guarantees that the pensioners will get exactly what the pension dictates. Their 7.5% is guaranteed. Their pension is guaranteed.

• (1625)

In the public and private sectors, generally, 60% is contributed by the employer and 40% by the employee. This plan is now 70% employer and 30% employee. We are still giving the opportunity over a four year period, starting in 2004, that if the government, the employer, and the people of Canada believe there is not enough money in the pension plan because the actuarial evaluator determines that more money is needed, at that point the maximum that the contribution from the employee can increase is .4% per year, and only if it is determined that it is needed.

The hon. member opposite should understand what this legislation is all about. It would be nice if he had read the legislation, attended some of the committee meetings and was aware of what this bill is all about. I wonder if the hon. member understands some of the precepts in the bill, aside from just having a nice speech written by someone in his office.

Mr. Gurmant Grewal: Mr. Speaker, the hon. member who asked the question showed some ignorance about how the system works. That is quite evident on the other side of the House. That is

why they are supporting this bill, although we read in the newspapers that there are some wise men on that side who oppose it. There are a few members who understand what this bill is about and they know to whom this money belongs.

First, I point out to the hon. member that I write my own speeches. I prepare my speeches and I work hard. I am not like other members who bring their papers but who speak without them.

Let me point out that the hon. member knows that under the CPP 30 years ago if someone invested \$1 the return should have been \$11. Now with that \$1 investment we know they are getting 48 cents worth of return from their pension which is managed by the government formed by his party and which was managed by the other party that ruled this country. This money belongs to the pension fund of the employees.

I have received many letters from my constituents who are worried about their pensions. A few years ago there was a \$13 billion shortfall in the pension plan. Who covered that shortfall? The taxpayers.

Does the member believe that government can raise the premiums in the pension fund time and again and give a little back to the senior people who depend on their pension as a small contribution for what they did? Is this not another tax? Is that how the hon. member thinks the government should balance the budget? It has already balanced the budget on the backs of the taxpayers.

Now it wants to score some brownie points during the election time by using the pension plan money of the employees, performing some tricks in the accounting of the books and taking money from the pockets of retired seniors to pay down some debt and give tax relief.

The government has already cut \$20 billion from health care in transfer payments to the provinces and then it injected \$11 billion. It brags that it is injecting \$11 billion. Does it not remember that it cut \$20 billion in the first place? Those are the mathematics the government is using.

Voters do not have short memories. I am sure that the 654,000 pension plan members will remember when it is time to vote.

Mr. Rick Casson (Lethbridge, Ref.): Mr. Speaker, it is a pleasure to rise to speak again to Bill C-78.

One of the issues we have to address before we talk about the bill is the fact that closure has been moved and the debate has been limited. When we look at some of the reasons the government would want to do that, we see that in its backbenches there is a bit of a revolt going on with a number of its members saying that this bill is flawed. They do not like it and they are not going to support it.

Government Orders

The government also does this to keep things moving along quickly, so the people across Canada do not have the chance to respond to their members of parliament and so we do not have a chance to fully debate the bill in the House.

• (1630)

I think the government also does this to keep some of its own members from gathering momentum to oppose this. It seems that the Prime Minister is going to bring out the big stick and make sure this bill is supported by all members over there. It should be interesting later on when we vote on this.

We heard earlier that there is nothing to worry about and that the money will be there. The money is there now. Why do we not just leave it there? There is a \$30 billion surplus in this account and it is to no credit of the government that it has accrued. Anytime the government sees a lump of money, it wants to grab it.

The indication is that this is going to pay the debt, but actually this law is so vague and silent on this that the surplus can be used by the President of the Treasury Board to do whatever he wishes. The government is saying it could go to pay the debt, but it could go anywhere. Canadians have the right to know where it is going to go and to what benefit to them.

We have seen huge increases in CPP premiums. They are going to go up a total of 73% over the next number of years. That still will not solidify the plan. There is a good possibility that premiums will be reduced or the age limit will be raised. Besides that, we have seen the government take the \$26 million surplus in the employment insurance fund.

It seems that every time we see a couple of dollars stuck together here, and I realize that \$26 billion and \$30 billion are huge amounts of money, the government wants to get it and put it somewhere. I am not sure where it is putting it, but closer to the next election I imagine we will find out where it has gone.

This bill allows the government to seize the public service fund surplus. The three funds affected are the public service plan, the Royal Canadian Mounted Police plan and the Canadian forces plan.

That \$30 billion has built up over the years for a number of reasons. There is the fact that inflation has been low. The actuaries projected that inflation would rise and the contributions would go up and that has not happened. There are three critical areas. Salary increases have been kept low, interest rates on investments have been good and inflation is low.

Frozen wages for six or seven years, whatever it was, is another thing. Public servants had their wages frozen. They finally got a little bit of an increase and the government came right back and said, "Okay, there is \$30 billion in your pension fund and we want to get our hands on it". This money belongs to the workers. It should stay where the workers can rely on it.

There have been shortfalls in the past. There could be shortfalls again. If this money is not there to pick up the slack, then back we go to another tax to pay for it. That is what this has turned into. They have not been pension contributions. They have not been EI premiums. If the government can take that money without using it for the purpose it was intended originally, then it is not a contribution or premium. It is a tax and it should be called that. The government forgets that this money belongs to the taxpayers and the employees.

We got into quite a debate a minute ago with a government member talking about conjugal relationships. The definition of that is one of the issues that has really caused some concern among members of our party and all parties.

The courts in the last little while have been creating laws. That is our job. That is why people voted for us. That is why we are here, to legislate. When the courts can take that away from us, when nine appointed judges of the supreme court can start making laws, then this country has a serious problem and one that needs to be addressed.

Why would we leave a clause or a word in the bill that is going to cause concern and that is going to have to go to lawyers and courts to be defined? The member for Calgary Centre put forward an amendment to this bill to take that word out and it was defeated by the government. The member stated that he has a problem with that word and if it was not there the bill would be better. Why did the government not support the amendment when it was put forward?

• (1635)

In this new bill survivors benefits have been expanded to beneficiaries. The thing that really puzzles me and many in this country is how we are going to decide if a relationship is conjugal. If the decision is left to the courts, the whole issue will be gone over again and again until everybody is somewhat confused as to what the issue is.

The whole idea of this expanding into relationships of a conjugal nature throws a whole different slant on the bill which does not need to be there. As members from all sides have said, we would have another look at this if that was not in there. It is there and this will eventually end up back in the courts where another decision will be made by the appointed judges. This is where the problem exists. We as legislators are not allowed to make the laws but instead it is the judges.

The people who came to see me from my riding who belong to this pension plan are very concerned. There was some representation from each of the affected funds. These people who are drawing from the pension wanted time to get together to talk to other members from across the country because they are concerned. They do not have the time because of the haste with which the government wants to move this bill through so it can get its hands on the money.

Government Orders

That concern should not be there. People who belong to this pension should feel very secure. They should be able to raise the questions that need to be raised so we can relate to them what the issues are and that they do not need to worry, but we do not have that time.

I believe that if a pension plan has built up a surplus of \$30 billion we would have some degree of comfort if things changed, if there was a downturn in the economy, if something happened that the outgoing funds were higher than the incoming, we would have a bit of a surplus. That is gone. If money is not available to pay these people of course they are going to be worried.

If we compound the public service pension surplus being taken by the government with the concern that the CPP might not be available for people when they retire, it adds up. People have a right to feel secure in their retirement after putting money in for years.

The whole idea that the President of the Treasury Board has the authority to take this surplus and use it as he wishes is not right. The pensioners who are coming forward are very concerned with this. They have a real point that there is no accountability here. The fact that closure has been brought in on this bill and they have not had time to put forward all their concerns is not what this House is all about. That is not why we were elected by our constituents.

We oppose this bill. We feel that the money that is in the fund should remain right where it is.

[*Translation*]

The Acting Speaker (Mr. McClelland): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Halifax West, National Defense; the hon. member for Sackville—Musquodoboit Valley—Eastern Shore, Fisheries and Oceans; the hon. member for Cumberland—Colchester, Nav Canada.

[*English*]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I am delighted to enter into this debate. I want to take this opportunity to say how miffed I am. Is miffed a parliamentary word, because I am miffed. I am upset that the government is so anxious, as my colleague has just said, to get its claws on this money before anyone wakes up to what it is doing. It will all be swept under the rug. The government will get its spin doctors out there and everyone will be talking about it.

• (1640)

I am not even permitted to give my speech. I have one ready but it looks as if I am not going to get on because the government has said, "We are not going to listen to any reason. We are just going to

do what we want to do. We are the government. We know everything. We know best".

The fact is that the recipients and the people who are still paying into this pension are concerned. I am very disappointed that the government, just because it has a slim majority, thinks it can jam things through. How dreadful it is that the Prime Minister is forcing these people to vote whether they want to or not in the way of the minister.

I would like my colleague who gave such an excellent speech on this topic to comment a little about the lack of parliamentary process in this issue as with many issues that the government deals with.

Mr. Rick Casson: Mr. Speaker, I thank my colleague from Elk Island for his question.

The crux of the issue on this bill and on many other bills that we have dealt with in the House is the limit on debate. When the present government members were in opposition at any time the sitting government brought in closure they screamed bloody murder and rightfully so. It is a breach of the trust that Canadians have in this House.

The last time I rose to speak on this bill closure had been voted on that day. A number of people come to the gallery, come to see this place as the seat of democracy and the seat of government in the country. For them to realize what was going on here, we were being muzzled as their representatives in a democracy. We were being limited in the amount of time that we had to debate this bill. I think that is atrocious. It seems that every report that comes from a committee gets leaked before it is reported to the House. So many things go on that some days we wonder about the relevance of this place. We have to keep pinching ourselves to make sure that what we are seeing is real.

We have to have the support and the backing of our constituents. To have the government bring in closure time after time stifles us so that we cannot perform our job in the proper way. I find it very objectionable as I am sure do many others in the House.

Mr. Tony Ianno (Parliamentary Secretary to President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, it is interesting to hear the same people say the same thing time after time. They wanted six months to expand on what they have said the last few times. It is a lot of—I cannot say hot air because that is unparliamentary—but it is interesting how incensed some of the hon. members on the other side portray their concern for the employees and the unions.

It is interesting that during the committee meetings not one of them came to show their interest, their concern or their questions and to be enlightened on the legislation that is before us, as compared to showing here for the TV cameras their great concern and again, I will not say the word hot air.

Government Orders

Mr. Rick Casson: Mr. Speaker, I sit on the environment committee. I will put up the number of hours I was in committee in the last year against that member's any time. I am here to represent the constituents of Lethbridge. When they come to me with a problem with this bill, I come to the House to debate it.

If I was not at that committee, that is too bad because I was at another committee doing my job there. When the environment bill, the CEPA bill, comes into the House, if that member wants to stick around and learn something about the environment, we will enlighten him too.

Post Corporation Act and to make a consequential amendment to another act, be read the third time and passed.

Mr. Lynn Myers (Waterloo—Wellington, Lib.): Mr. Speaker, I will be sharing my time with my hon. colleague from Scarborough East.

We have before the House third reading of Bill C-78, an act to amend the Public Service Superannuation Act, the Canadian Forces Superannuation Act and the Royal Canadian Mounted Police Superannuation Act.

The proposed amendments touch the full range of pension operations, benefits, contributions and plan administration. The underlying thrust of all these proposed amendments is to ensure the long term sustainability and stability of the Canadian public service pension plans.

I propose in my comments to direct my remarks to one particular aspect of these amendments, and that is the proposed changes to employee contribution rates. Before I discuss the proposed changes it is important for me to give a brief overview of the existing contribution rate provisions.

A review of the existing legislative provisions will provide a rationale and context for the proposed amendments. Under the existing legislative provisions employee contributions to the Canada pension plan, the CPP, and the public service pension plans are now integrated. What does the integration mean? It means the existing integration feature is such that the total contribution rate for an employee is 7.5% of pay composed of both the contributions to the CPP and the public service pension plans.

For an employee earning the average wage the contribution of the public service plans would be 7.5% minus the CPP contribution rate, currently 3.5% of pay, which then equals 4.0% of the pay. To the extent that the CPP contribution rates increase there is an equivalent decline in public service pension plan contribution rates to preserve the constraint that the maximum pension contributions equal 7.5% of pay. In the past with periods of relative stability in contribution rates this integrated formula has served the public service pension plans well.

However, under the integrated contribution rate structure the increase in CPP contribution rates beginning in 1987 has distorted the distribution of employee contributions going to the CPP and the public service pension plans. Under the integrated structure the impact of increases in CPP rates has been such that for employees earning the average wage contributions to the public service pension plans have declined from 5.7% of pay in 1986 to 4.0% of pay in 1999.

To reiterate, over the past decade individual employee contribution rates for the CPP have gone up while those for the public service pension plans have declined. What are the implications of

PRIVATE MEMBERS' BUSINESS

[English]

YOUNG OFFENDERS ACT

Mr. Gar Knutson (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I rise on a point of order. I believe that you will find unanimous consent that the hoist motion in my name with regard to Bill C-260 be deemed to have been withdrawn and the question on the main motion to have been deemed put, a division thereon requested and deferred to the expiry of the time provided for Government Orders today.

• (1645)

The Acting Speaker (Mr. McClelland): The House has heard the terms of the motion as presented by the Parliamentary Secretary to the Prime Minister. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to)

GOVERNMENT ORDERS

[English]

PUBLIC SECTOR PENSION INVESTMENT BOARD ACT

The House resumed consideration of the motion that Bill C-78, an act to establish the Public Sector Pension Investment Board, to amend the Public Sector Superannuation Act, the Canadian Forces Superannuation Act, the Royal Canadian Mounted Police Superannuation Act, the Defence Services Pension Continuation Act, the Royal Canadian Mounted Police Pension Continuation Act, the Members of Parliament Retiring Allowances Act and the Canada

Government Orders

this shift in the distribution of employee contributions between the CPP and the public service pension plans?

To this point I have discussed only employee contribution rates. On the other side of the coin I will discuss a little about employer contributions, that is the contribution of the federal government in its role as employer.

Existing legislation for the public service pension plans is such that the employer must ensure that the various accounts for the public service pension plans are credited with an amount equal to the total cost of entitlements accrued by employees in that year. In other words, the federal government is responsible for the total costs of the plan in a given year less the employee contributions, and as a consequence the declining employee contribution rates. The federal government and by extension all taxpayers have had to shoulder an ever increasing share of the cost of employee pension plans.

I will use the pension plan under the Public Service Superannuation Act as an example. Over the last three decades the financing of that plan has averaged approximately 60% employer funding and 40% employee funding. More recently that distribution has shifted rather dramatically.

• (1650)

For 1999 the distribution is approximately 70% employer and 30% employee. Next year in the absence of any changes to the legislation it is projected that the distribution of the financing of the PSSA plan will shift to approximately 75:25, and by the year 2003 it will be an 80:20 split.

The ongoing shift in the cost of the pension plan to the employer is simply not sustainable. It clearly puts the sustainability of the existing plan at risk unless changes are made. It is our intention to introduce the necessary changes to the contribution rate structure to preserve the long term sustainability of the public service pension plans. With the amendments proposed in the bill contribution rates for the public service pension plans and the Canada pension plan will no longer be integrated. In other words, the public service contribution rates will henceforth be set independently and there will be no overall maximum contribution rate.

In addition there will be a two tier contribution rate structured to more directly match contribution rates with different benefit accruals below and above the average wage as defined by the CPP. The government recognizes that there will be a financial impact on employees as a result of these changes.

In order to facilitate the movement to a long term sustainable pension plan environment, the government is proposing to freeze employee contribution rates to public service pension plans over the period 2000 to 2003 inclusive. Over this period employee contributions on earnings below the average wage as defined by the CPP will continue at the present 1999 rate of 4%. Contributions on

earnings above that average will continue at the present rate of 7.5%.

It must be understood however that even though federal employees will thus be spared any increases in contribution rates for their public service pensions from 2000 to 2003, they will nevertheless be subject to the Canada pension plan rate increases schedule for that period, the same CPP rate hike and increases to which all Canadians alike will be subject. Through integration of contributions federal employees in effect have been sheltered from such increases in the past. Now they will have to pay them like all the rest of us.

Fortunately the CPP rate is scheduled to stabilize in the year 2004 as a result of good government planning. What will be the public service plan rates then? They will rise in 2004 after being frozen for four years. Maybe not. Maybe possibly but not necessarily. That is important to note.

For the year 2004 and beyond the Treasury Board will set the contribution rate structure with the intention of returning the cost sharing ratio gradually to the historic average of approximately 60:40 between employer and employees. The employer would continue to assume the larger share.

Employee contribution rate increases may or may not be necessary from 2004 on depending on a number of variables. However, any necessary increases would be gradual. For example, members of the pension plan under the Public Service Superannuation Act can rest assured that no increases in their public service pension contribution rate will be greater than an additional 0.4% per year after 2003. If an increase proves necessary in 2004, the contribution rate will still not be more than 7.9% of the employee's salary. That is the previous rate of 7.5% plus the maximum possible increase of 0.4%.

PSSA plan members can rest assured under the amended legislation that their employee's share of current service costs for their pension plan would never exceed 40%. In other words their contribution rates will not be increased beyond the point where they are paying their historic average cost share of 40%. The historical average therefore will also be limited under the amended legislation.

As for members of the other two public service plans under the Canadian Forces Superannuation Act and the Royal Canadian Mounted Police Superannuation Act, it has to be noted that the cost share between employer and employee is not the same and that the employer is paying the larger percentage of the cost. However, the legislation will provide that the contribution rates of participating members to these plans will not exceed those of PSSA members.

• (1655)

Amendments to the contribution rate structure are one component of the package of changes required to ensure the long term

Government Orders

sustainability of the public service pension plans. The bill provides as part of the comprehensive package of amendments the required changes in the contribution rate structure to ensure that the public service pension plans will be sustained over a long period of time. I think that is important to note and I would ask all members to vote accordingly on this very important bill.

Mr. John McKay (Scarborough East, Lib.): Mr. Speaker, I have my own hoist motion in process as we speak. I would like to say at the outset that I support the general principle of the bill. However I would like to deal with the controversial section concerning survivor benefits.

One feels a little like treading into an area where angels fear to tread. It is my view that overall parliament has been silent too long on this issue and has by its neglect deferred to others in this area of intense controversy among Canadians. The relevant section that is appropriate to this discussion is 29.4 which reads:

For the purposes of this Part, when a person establishes that he or she was cohabiting in a relationship of a conjugal nature with the contributor for at least one year immediately before the death of the contributor, the person is considered to be the survivor of the contributor.

There are various other supporting sections which we do not need to go to. The obvious issue here is whether there has been an extension of application of survivor benefits to same sex partners who are cohabiting in a conjugal relationship for at least one year prior to the plan member's death. It may well be argued that this is simply reflective of trends in judicial authorities and the government is responding to those trends. However, I would like to speak to the issue of institutional competence to decide such a unique and profound issue of great controversy for many Canadians.

The leading decision in the area is Egan and Nesbit which challenged the spousal allowance provisions of the Old Age Security Act. In May 1995 the Supreme Court of Canada dismissed the appeal of Egan and Nesbit by a 5:4 margin. The court however was unanimous in its ruling that sexual orientation was an analogous ground and that it triggered a section 15 protection. A 5:4 majority of the court also found the spousal issue discriminated on the basis of sexual orientation and therefore infringed section 15 of the charter. However, a different 5:4 majority found that the discrimination was justified under section 1 of the charter.

The conclusion appeared to be based, in part at least, on the view that the court should be reluctant to interfere in parliament's choice in respect to socioeconomic pieces of legislation. In summary, unanimously it discriminates; 5:4, section 15 is triggered; and a different 5:4, a justified discrimination.

It is quite obvious there was a very divided court. It however had the wisdom to offer this advice to parliament in May 1995 when the decision was rendered:

The issue of how the term spouse should be defined is a fundamental social policy issue and parliament should decide it and parliament should listen to and balance the competing social issues, the philosophical issues, the legal, moral, theological issues that go into this definitional process. The court shouldn't be deciding it. Parliament should be deciding it and the court should defer to parliament.

This is hardly enthusiasm on the part of the court to assume a jurisdictional area of competence.

The next leading case is Rosenberg which the government chose not to appeal. It basically showed that the court of appeal was a little fed up with parliament. It had a case before it and was to define or decide the issue. In turn it found that the definition of a spouse could include same sex spouses.

If parliament does not decide these issues a fair conclusion is that the courts will take over. In my view that effectively shuts out the voice of the people of Canada. The chattering classes get to have their say on what they think is the proper definition of a spouse or a conjugal relationship. The courts can have their say as to what constitutes a conjugal relationships but the people of Canada and parliament do not get to have their say.

• (1700)

This issue continues to percolate up to parliament in a variety of ways and the most obvious is the bill before us.

In Bill C-78 the issue of conjugal relationship one year prior to death gets defined through the back door by simply saying nothing. It effectively defers to the latest decision of the supreme court or the court of appeal as the case may be with respect to what constitutes a spousal relationship. This constitutes a complete abdication of our responsibility as parliamentarians. It is a delegation of authority to a bureaucracy with no accountability and that, frankly, is not what I was elected to do nor, I dare say, were you, Madam Speaker.

Another area in which this has arisen recently is with respect to Bill C-63, which delegates the definition of spouse to an order in council. Essentially, what that means is that instead of dealing with it in a straightforward manner, the minister, through the order in council, gets to define what a spouse is for the purposes of the legislation.

In my view this is back door legislation through regulation. It is a delegation and an abrogation of parliament's responsibilities which is inappropriate and for which all parliamentarians should be very worried.

This is essentially an issue of jurisdictional competency. The courts have clearly said that they are prepared to defer to parliament on what the definition is of conjugal relationship or the definition of spouse as the case may be providing that parliament makes the decision.

Government Orders

In the four years since Egan and Nesbit, parliament has not made the decision, is reluctant to make the decision and, in part, probably because of political correctness and pure controversy, but nevertheless a clear refusal to accept its role. As a consequence, the Supreme Court of Canada and courts of appeal in other various provinces have stepped into the vacuum.

We are then left with the definitions to be whatever a particular civil servant thinks the definition should be on a case by case basis. Through a closed door framework of regulatory power or keeping an eye on the latest particular decision of any court in the land then it is an ever revolving decision. Once the decision of a spouse or a conjugal relationship is delegated to a judicial process it will be forever delegated and the people of Canada will not have any say in the process.

Fundamentally, this is about the rule of law and the role of parliament in deciding the issues of our time. This is an issue of significant religious, philosophical and moral consequence which parliament and parliament alone is unique in its ability to balance the competing social issues that come to the table.

Only parliament has a committee process that enables all aspects of these kinds of questions to be analyzed. Only parliament can recognize that the implications of a definition are much broader than the particular individual case before it. Only parliament can reflect on the wishes of its constituents.

In my view, this issue continues to be decided by parliament and needs to be decided by parliament and parliament alone. We are a democratic society. We are subject to the rule of law and we do have various institutions at various levels of competence to deal with various issues.

It is clear that the Supreme Court of Canada is quite willing to defer to the Parliament of Canada on these issues. I have only to note that in the Lavigne decision it was a very split court. When the issues then cycle back up before the Supreme Court of Canada, which they inevitably will, they will weigh the debate. On the basis of where there is a rational basis of a definition, it must be shown that it is proportionate and not at all applied arbitrarily.

If parliament ducks the issue then the courts are left in a void and they or their bureaucrats can make up a definition as they go along. Just because this is a politically difficult issue does not mean that parliament should duck it.

I am told that there is omnibus legislation on the way. This is quite curious. At this point in time parliament has never spoken on the issue so the drafter of the omnibus bill will only have before him or her interpretations of various courts and other relevant issues. It will not therefore become a big surprise that the proposed legislation will reflect the current state of the law.

• (1705)

This would be a great mistake in my view because the drafter of the legislation would not then have had the benefit of parliamentary debate.

In my view the debate should come first, the drafting of the bill second and the debate on the bill third. Once that is completed, the various amendments applicable to Bill C-63 or Bill C-78, as the case may be, and various other pieces of legislation will be amended accordingly.

It is my view that this is a matter of process and the process is completely backward. It should be a process that firstly debates an issue then produces an omnibus bill and then informs all other pieces of legislation.

Parliament should provide guidance to the courts but it has clearly shown an unwillingness to step into this void even when courts are willing to defer to parliament.

My view on same sex benefits is quite irrelevant. This is a matter of process, of institutional confidence and of the rule of law.

Mr. Ken Epp (Elk Island, Ref.): Madam Speaker, I was listening very carefully to what the member was saying. It is rather refreshing to hear a member from the government side put the issues fairly straightforward on the table. I wonder if the member has any idea how we can correct this abdication of responsibility by parliament?

We have had a number of occasions where private members' bills on this very issue have been brought forward. Private members' bills are by and large called free votes and in those occurrences members present have voted against them fairly reflecting the wishes of the Canadian public.

Four or five years ago there was a private member's bill on the issue of benefits for same sex couples. As I recall there were 18 Liberals out of 177 at that time who voted for the bill and the rest against it. That was democracy at work. That was parliament speaking on behalf of the Canadian population, on behalf of the voters, saying that it was not ready for this because it was contrary to what many members believed and what constituents were saying. It was just not going to do it. Members would vote against it or they would stay away.

We now have this closure situation and whipped votes. Democracy is really being brushed aside while a few people with an agenda seem to be getting their way.

I know I am putting the member on the spot but does he have any ideas on how we can improve how this place works and improve its democratic process?

Mr. John McKay: Madam Speaker, my view is that it is irrelevant what one's view is on the issue. There are two ways to

Government Orders

get legislation into the House: first, by means of a private member's bill; and second, by means of the government.

I think at this point the legislation is premature. In my view we debate first, draft the legislation second and then debate the legislation on an issue of such controversy. Once that is done the government would be informed as to the proper decisions to be made in the drafting of the omnibus bill. The drafting of a bill is a little like a tree. Once one makes one decision then several other logical decisions follow. If another decision is made several other logical conclusions follow.

I will put the hon. member back on the spot by saying that he should suggest to his leader that one of their supply days be used for this issue so that it can be debated then. Presumably we will have the view of members on the record and those views would in turn inform the drafter of the bill. The drafter of the bill would then present to the government and to the minister a bill which I would think would be a stronger bill and closer to some level of consensus.

Mr. Werner Schmidt (Kelowna, Ref.): Madam Speaker, the hon. member's speech and his answer is a reasonable one. I would like to ask a very short question. What difference will it make if the vote today goes the way the government members will be whipped?

• (1710)

Mr. John McKay: Madam Speaker, the hon. member is presuming on the way in which the vote will go and on whether it is or is not a whipped vote. Just because a vote is whipped does not necessarily mean that people are all subject to the views of the government. That is just simply a reality of politics in the Chamber.

I would, however, indicate to the hon. member that in the absence of an amendment, the bill will in fact create something of a precedent and that precedent will be difficult to deal with ex post facto either by way of an omnibus bill or by way of amending legislation.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau—Mirabel, BQ): Madam Speaker, I will be splitting my time with the member for Frontenac—Mégantic.

I am pleased to rise at third reading to speak to Bill C-78, an act to establish the Public Service Pension Investment Board, to amend the Public Service Superannuation Act, the Canadian Forces Superannuation Act, the Royal Canadian Mounted Police Superannuation Act, the Defence Services Pension Continuation Act, the Royal Canadian Mounted Police Pension Continuation Act, the Members of Parliament Retiring Allowances Act and the Canada

Post Corporation Act and to make a consequential amendment to another Act.

As I said in the House at report stage, Bill C-78 is of particular interest to me. On many occasions I have risen in this House on behalf of the elderly and senior citizens organizations to defend their interests.

Moreover I want to draw the attention of the House to the fact that this week is dedicated to senior citizens, to the Fédération de l'âge d'or. As a matter of fact, I will probably rise in the House during Statements by Members to stress the contribution of seniors to society.

This bill is aimed at making changes to the public sector pension plans, and contrary to what the President of the Treasury Board said, these changes are of great concern to federal employees and retirees. Obviously the Bloc Québécois is opposed to this bill.

In 1997, the life expectancy of Canadians and Quebecers reached unprecedented levels for both men and women. Life expectancy is 81.4 years for women, and 75.8 years for men. Canada comes fourth among countries where people live the longest. However, sadly, in 1997, the number of suicides in Quebec accounted for 37% of the total number of suicides registered across Canada.

Over the past few years a \$30 billion surplus has accumulated in the public service, RCMP and National Defence pension plans. The Bloc Québécois cannot accept that the federal government unilaterally decided to make major changes to its employees' pension plans.

The Bloc Québécois has been very consistent in what it has been saying about pension plans. Pension plans should not be changed to the detriment of senior citizens.

In Quebec, the majority of people over 50 would like to see some kind of legislation to protect senior citizens. A draft version of the bill had previously been introduced. François Legault, not the provincial minister but the current president of the Fédération de l'âge d'or du Québec, the FADOQ, is showing an interest in this bill.

According to a Léger & Léger poll conducted on behalf of the Commission des services juridiques, 93% of the 1,009 respondents said they were in favour of the urgent implementation of an act to protect the elderly.

These results are in stark contrast with the opinion, held until recently, that seniors do not want to be regulated by an act similar to the legislation for young people, because it might make them feel like children.

As a spokesperson for the elderly, I agree that they should be better protected.

It is definitely not the first time that the federal government tries to reduce its debt at the expense of our seniors. The elderly have always reacted strongly.

Government Orders

There is clearly a similarity between the control exerted by the federal government on the employment insurance surplus that has been growing in recent years. The government claims, wrongly so, that this surplus belongs to it, like the surplus targeted with Bill C-78.

• (1715)

The promise to have joint management of public sector pension plans is very important to the Bloc Québécois, and a lot of people are asking the government to keep its promise. There must be a management board made up of representatives of the employer, employees as well as retirees.

As I said previously in this House, unfortunately, Bill C-78 does nothing to make that promise come true.

It is only normal for seniors to claim their share. This unilateral appropriation of funds to the tune of \$30 billion by the government is an insult. The surplus belongs to both the employer and the employees, not to the government.

Let us not forget that 1999 is the International Year of the Elderly. Moreover, this week is Senior Citizens' Week. I would also like to remind members that the fourth world conference on ageing will be held in Montreal, at the convention centre, September 5 to 9, 1999. I hope I got my message across.

As I was saying the last time I spoke to Bill C-78 in this House, a stamp honouring the elderly is not enough. Let us not forget that, this year, the theme for International Women's Day was "Going Strong—Celebrating Older Women". Retired women, who often form the majority, are sometimes and even often the poorest.

The Bloc Québécois has spoken on many occasions in the past against interference by the federal government. The Bloc Québécois is against Bill C-78 because it allows the government to appropriate the \$30 billion surplus in the public sector pension plans, just as it did, unfortunately, with the employment insurance surplus.

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Mr. Speaker, I listened with great interest to what the member had to say about Bill C-78.

There is one point he did not address. However, I would like his opinion. Would this not be just what private businesses were waiting for? Might certain companies not want to follow the federal government's lead and do what they liked with pension funds?

It would be a bit like what happened in Black Lake and Thetford with the asbestos company, which helped itself to some of the surplus in the pension fund.

The member for Laval East mentions the Singer company. I am told that three quarters of the employees are now dead, or will not have the full benefit of their pensions. The company has been

dragging the process out before the courts. Employees are being told that, if they do not see the results, their legal heirs will, as if that were any comfort.

I would like my colleague to go into greater detail on the example that the President of the Treasury Board is setting for the private sector.

Mr. Maurice Dumas: Madam Speaker, I would like to say to my colleague from Frontenac—Mégantic that he is absolutely right. When the example comes from higher up we follow it generally.

This government has always arranged things so as to be able to take pension money. He gave the example of the Singer company, in particular. These people lost their retirement fund. It took a court decision to get the company to return the money to its employees.

Unfortunately, things went on so long that many of these employees have died over the years. I do not think there are many left now to recover their pension money.

My colleague is absolutely right, when the example comes from up above, we tend to follow it. I fear that some companies will do as he mentioned and imitate the government.

• (1720)

Ms. Angela Vautour (Beauséjour—Petitcodiac, NDP): Madam Speaker, I congratulate my colleague from the Bloc Québécois for his comments.

I want primarily to make comments, and if my colleague cares to reply, he is welcome to do so. I agree with him that our government, as I was saying also, is nevertheless fairly creative and managed legally to take money belonging to the workers and employers in the employment insurance fund. The surplus amounted to \$25 billion. This money should be used to help provide training and to assist those who no longer have a job.

Today, we see that fewer than 40% of the unemployed qualify for the employment insurance program. In the regions in the Atlantic provinces, including in New Brunswick and in my riding or elsewhere, as well as in Quebec, many people are suffering terribly as the result of cuts to the employment insurance program. It is also clear that the Liberal government cares little for people who need help.

The government has discovered a fund with a surplus of \$30 billion. We must admit that the Minister of Finance has the ability to make us think that we are paying for one thing and then use the money for something else.

I wonder whether my colleague agrees that, once again, this government has found the way to take \$30 billion that does not belong to it but rather to workers and retired people. Does he not think that there is probably a good way to describe what the government is doing today, but which we cannot utter in the House?

Government Orders

Mr. Maurice Dumas: Madam Speaker, I am pleased to hear the comments by the hon. member for Beauséjour—Petitcodiac, in New Brunswick. Even before she was elected an MP, I know she was involved in helping people. I heard her speak often in connection with all sorts of activities in her area of Acadia, and her name was already familiar with me.

I must also say that there will be many women among the victims of this government's craze to get its hands on money that does not belong to it—

The Acting Speaker (Ms. Thibeault): I am sorry to have to interrupt the hon. member.

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Madam Speaker, I would like to congratulate my colleague, the hon. member for Argenteuil—Papineau—Mirabel, for his fine speech on the President of Treasury Board's intentions to get his hands on the loot, somewhat in the same way as the Minister of Finance did with the employment insurance fund.

I am looking at the figures here. Going back 20 months, the surplus was \$30.2 billion, and if the trend continues, a quick calculation would indicate that it must be pretty close to \$33 billion. It is no longer \$30 billion, but close to \$33 billion.

Where does this surplus come from? The public service has contributed \$14.9 billion, the RCMP \$2.4 billion, and finally the Canadian Armed Forces \$12.9 billion. Adding all this up, it comes to a surplus of \$30.2 billion. Those were the figures as at March 31, 1998, just about 20 months ago. With the projection, I would suggest that the figure would now be \$33 billion.

The President of Treasury Board, before being appointed Ambassador to Paris, wants to make his time here in the House of Commons worthwhile by doing something memorable. He is getting ready to deliberately get his hands on this money. Now a committee is going to be struck to administer this surplus, with some friends of the government of course, as was done with André Ouellet, the former member for Papineau—Saint-Michel.

• (1725)

He was appointed chairman of the Canada Post Corporation, with a salary that far exceeds what he was earning as a federal minister, without having to be concerned about voters but with trips all over the world to see how postal services operate in other countries.

So, the President of the Treasury Board is about to set up a new committee to manage the surpluses, but that committee will include very few workers. The minister even neglected to consult the unions of the three groups to find out how these surpluses could be managed.

Also, we learned on March 31, 1998, that \$3.1 billion must be paid to retirees, while \$1.8 billion is coming into the fund. One

might think that if the fund must pay \$3.1 billion in pensions while receiving only \$1.8 billion in contributions, it will get smaller every year. Not so. A fund of that magnitude can easily earn in excess of 10% annually, without any risk.

At a rate of 10%, an amount of \$33 billion will earn \$3.3 billion. The current outlay is \$3.1 billion. This means that the interest alone provides enough money to pay the pensions to retirees. In fact, the government could even decide right now to give a contribution holiday to all employees of the public service, RCMP and Canadian armed forces. It is worth doing the calculating.

The President of the Treasury Board, and member for Hull—Aylmer, is about to get his hands on \$33 billion. What will he do with that money? Perhaps he will do like the government did with the employment insurance surplus. Sixty per cent of workers pay EI premiums but, when they apply for benefits, unfortunately six out of ten do not qualify. They are told that they must pay premiums of \$2.55 on every \$100 of insurable earnings but that they will not qualify for benefits. Barely four out of ten qualify for benefits, and those benefits are for increasingly short periods and increasingly small amounts.

Clearly, the Minister of Human Resources Development, whom the member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques sometimes refers to as the wise guy, led a very sheltered life. He has no idea what it means to earn \$8 or \$10 an hour. He had everything handed to him and now he is after the \$21 billion surplus built up by workers in the past four years. It is truly scandalous.

To get back to Bill C-78, I would like to tell the House about a very sad case. This is something that is going on in the riding of my colleague, the member for Saint-Jean, with former Singer employees. I am sure members will remember Singer sewing machines. When I was young, my mother always had a Singer.

Employees of this famous multinational cannot get at their pension fund because of the federal government's refusal to help.

On the weekend, I was speaking to one of my friends, a former SAL employee and BC mine worker. His name is Charles Lacroix. He told me he began working in the asbestos mines on November 21, 1970, while he was still very young. Year after year, he paid into the pension fund.

• (1730)

Of course he did not contribute much, but the company contributed 19 times as much as Charles. The matter of the employees' pension fund has not been settled yet. The corporation was replaced by a limited partnership called Lab Chrysotile. The matter of the pension fund is still before the courts. Workers are getting nothing from their pension fund, the matter has been dragging on for the past 13 years.

Government Orders

Does it not sound like Singer, though not as bad? I am told that the majority of Singer's former employees are either dead or very old. If tomorrow morning they were given \$30,000 or \$50,000, they could not make full use of it. The ball is in the government's court; it is wilfully delaying any settlement. The matter has been before the courts for I do not know how many years. The member for Saint-Jean talked about this earlier this morning. He might do it again.

The employees of the corporation, the asbestos company, of Lab Chrysotile, of Mazarin, which is part of this group, are having problems. The matter is before the courts, to the delight of the lawyers. We know who makes the laws around here. It is not the lawyers. "You scratch my back and I'll scratch yours". This is what is going on. Unfortunately, it is always the most vulnerable members of society who foot the bill.

This is exactly what is going on with the employment insurance. Doug Young learned his lesson on June 2, 1997. He got his answer. I congratulate the men and women who ran for the New Democratic Party in New Brunswick, and defeated Dominique LeBlanc, who was on the same wave length as Doug Young. This does not mean Doug Young is unemployed. He is in cahoots with the local premier and he will make as much money, if not more, through raising a toll on highways over there.

I thank and congratulate the men and women who worked hard to bring some order back to New Brunswick and get rid of braggarts like Doug Young.

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, I thank the hon. member for his clear presentation. It is always interesting to listen to him. His comments always carry a very political dimension. I am a great admirer of the hon. member for Frontenac—Mégantic.

He referred to the Singer workers. People think that the case of Singer workers was settled. It was said that Singer workers settled in court, that the case was closed. But there is still an outstanding issue. I am taking this opportunity to tell voters who are listening to us that, from 1942 to 1967, the federal government was responsible for that fund. It allowed the employer to stop paying contributions and, in the end, the employer made off with the money.

In 1994, the Bloc Québécois began asking questions. The various ministers kept saying that the issue did not come under their responsibility. One can understand why.

Does the hon. member agree that Singer workers were the first victims of what is happening today? The government could see that the surplus was growing, but was unable to tell Singer workers "We recognize that we have a responsibility, we will pay you". Instead, the government said "No, we do not want to pay you. We have no responsibility in this". I have always thought the govern-

ment was already thinking about getting its hands on the pot, as it is doing now.

Does the hon. member agree that Singer workers are the first victims of what is going on today?

Mr. Jean-Guy Chrétien: Mr. Speaker, you were in this House. Going right back to October 25, 1993, the valiant member for Saint-Jean rose in this House every week to ask questions, of Doug Young in particular, and then his successor, to get him to settle the matter of the former Singer employees as promptly as possible. Here we are in 1999, and it is still not settled. It is now May 25.

• (1735)

That member deserves recognition, and got it last June 2 from his constituents.

Do you know what the President of Treasury Board wants? He wants to set up a board with friends of the regime. But what sort of board will it be? One made up of cronies of the regime, of course.

One need only look at the quality and the savoir-faire of the Minister responsible for Francophonie last week—hon. members know they want to get rid of her—when she met with representatives and heads of state of the various francophone countries throughout the world in Paris, along with my good buddy Jacques Roy. They want to get rid of him too, in an exchange for the President of Treasury Board, in a sort of musical chairs.

I do not know whether the member from Acadia, who is here, has heard of the situation. They were talking about it this morning on the radio. The Minister responsible for the Francophonie—an insult to Acadians—did not even know the year the Acadians were deported. Our Minister responsible for the Francophonie dishonoured us in Paris.

Jacques Roy, fortunately, set the matter straight. In a few years, she will talk about a "small deportation". What is going on now in Kosovo is exactly what happened in 1755 in Acadia, except there were no television cameras then. It is exactly the same thing. A people was destroyed. They tried to eradicate it.

The minister said "It was some time in the 17th century". She is out by a century. When you're in the 20th century and you are out by a century it is a 5% error. For the Minister responsible for the Francophonie, this is unforgivable. Fortunately, Jacques Roy was there to set things straight.

I would, in the period reserved for questions and comments, like to give my colleague, the member for Beauséjour—Petitcodiac, the opportunity to add to this. She is entitled, while she questions me.

Ms. Angela Vautour (Beauséjour—Petitcodiac, NDP): Mr. Speaker, I must admit that I took the plane early this morning, and I was not aware that the minister did not know that the deportation took place in 1755. Everyone in Acadia knows that.

Government Orders

However this is simply more proof that a number of ministers in cabinet know nothing of us. It was the same thing with Doug Young, as my hon. colleague indicated. He did indeed get a one-way ticket, but it is unfortunate that he took advantage of people, with the help of his colleague Camille Thériault, who made himself many millions in New Brunswick. Perhaps we will resolve that on June 7 as well.

Mr. Jean-Guy Chrétien: Mr. Speaker, I would simply suggest to the Prime Minister that he dismiss his Minister responsible for the Francophonie right away. She has done a disservice to Acadians and to all Francophones, especially Quebecers in Canada. She has not represented us well, she does not deserve her position. She must be dismissed immediately. Hats off to Jacques Roy, who set things straight. Fortunately he was there.

[English]

Mr. Tony Ianno (Parliamentary Secretary to President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, today I am pleased to speak at third reading of Bill C-78. This bill ensures the long term viability of public sector pension plans and puts them on a more solid footing by introducing the investment of contributions in public markets.

Experience has shown that investments in the markets yield a better rate of return, which tends to reduce the costs of the plans. Under the current legislation investment of contributions is limited to government bonds.

Bill C-78 also establishes an investment board, independent of the government, that will be responsible for investing contributions in accordance with the interests of the participants in the plans. Its obligations and authority are set out in the bill to ensure its independence and also its accountability. The bill also contains provisions to ensure that it is an effective operation.

• (1740)

With regard to the investment board, it has been suggested that its directors should be appointed as the governor in council sees fit. Other parties have expressed concern that these appointments would give the government an opportunity to practise patronage. The bill provides that directors be appointed to hold office during good behaviour for a three year period. Directors' terms of office may be renewed for one additional term. The appointment process set out in the bill shows clearly that our intention is to ensure that directors are competent and independent from government.

We have been blamed for failing to include the participants in these pension plans in managing the plans. The provisions of the bill show us that such is not the case. Current and retired employees will be represented in the management of the pension plans through advisory committees that will henceforth be mandatory.

These committees are comprised of representatives of employees and retired employees. These committees will also participate in appointing the directors of the public sector investment board. They will be able to appoint a certain number of members of the nominating committee which recommends candidates for the positions of directors of the board.

During debates in the House and in the committee we were reproached for failing to consult sufficiently with stakeholders. As we have indicated, we consulted with participants and with retired employees through advisory committees on the plans for a number of years. The need to make changes was recognized by the advisory committee on the Public Service Superannuation Act in its 1996 report.

The President of the Treasury Board even established an advisory committee to arrive at an agreement on a new framework for managing and financing these plans. This committee, comprised of representatives of employees, associations of retired employees, representatives of the RCMP and the Canadian forces, met last year on a regular basis. As we know, although there has been agreement on most of the changes proposed through this bill, these consultations have stumbled over the disposition of the actual surplus in the plans. The government thus had to take the necessary decisions and move forward by proposing improvements to the financial management of the plans.

The bill also contains provisions pertaining to the management of the plans. It takes into account the interests of the participants, retired employees and the Canadian taxpayers as well. It reflects most of the elements on which we had agreed in principle.

The proposal in the bill that pertains to the disposition of the current surplus has aroused strong criticism from certain quarters. However, the public, and thus the Canadian taxpayer, supports the government's position on this question. This position is supported by court decisions as well as by the opinions of actuaries and other pension specialists. Many newspapers have also indicated their support for the government's position.

We have also been blamed for failing to make public sector pension plans subject to the Pension Benefits Standards Act. The objective of this legislation is to protect participants in employers' pension plans in areas of activity under federal jurisdiction. The Public Service Superannuation Act already provides equivalent protection to the participants in these plans.

Further to this bill, it has been contended that private sector employers would exert pressure to obtain funds from the pension plans set up for their employees. However, such cannot be the case. It would be hard to imagine provincial governments, which are responsible for employers' pension plans in areas of activity under provincial jurisdiction, allowing private sector employers to withdraw funds from the pension accounts they administer in a fiduciary capacity.

Government Orders

• (1745)

We believe that the plans as amended by this bill will be placed on a solid footing which will permit co-management once the participants are ready to assume their share of the management and risks which are a part of any pension plan. The government remains open to that possibility.

As did the President of the Treasury Board, I can reassure public service employees this bill will be advantageous to them.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I am happy to have the opportunity to ask a question with respect to this bill. It is one that I just cannot seem to get an answer to.

A number of people are really concerned about this bill. Two very widely disparate issues are at stake here. One is the definition of survivor. The other issue is from those people who have paid into and are benefiting potentially from this pension plan. I would like to find out from anybody on the other side, including the member who just spoke, if their assurances that everything is fine are really genuine and to be believed, then why are so many people so deeply concerned about this?

Furthermore, if the Liberals' position is defensible, then why are they not willing to debate it at length? Why is there closure at every stage on a bill as important as this one? Clearly, if it is defensible, I would think they would want to have a longer time for debate so that the truth in the matter could come out and people could be persuaded that this is a good bill and deserves support. Instead, what we have is closure and those people who are already receiving pension benefits and those who are still paying into it are worried about their future do not have an opportunity to mobilize, to make their phone calls and get their faxes and letters sent here.

I would like to know how the member reconciles the difference. Why is it that if everything is okay, these people understand it is not okay? There is a botch-up here somewhere.

Mr. Tony Ianno: Mr. Speaker, it is interesting as I stated earlier today that the hon. member talks about the proposal of extending this debate for six months. Members talk about the great groundswell they believe is going to occur, but it has not occurred because Canadians are generally pleased with this bill. It is everything the unions along with the employer have sat down to discuss. There was only one part where one of the unions was concerned about the surplus and wanted a percentage of it and all the rest of the items.

As we discussed earlier, it is a legislated plan. The employees and the retirees are guaranteed their pension by this government and by the taxpayers, paid by taxpayers' money.

The concern of the Reform Party, aside from the fact that many of the things were agreed on, is that we are in effect taking what belongs to Canadian taxpayers, which is an accounting entry, and

reducing the debt by \$30 billion over a period of time. The Reform Party does not like that. Why do they not like it? Because that is going to reduce the cost to Canadian taxpayers in interest that they pay to bondholders. Why does the Reform Party not like that? Because all of a sudden the Liberal Party is going to get credit for reducing the debt by \$30 billion. Why does the Reform Party not like that? Because everything they have been talking about, everything the Reform Party is all about is being done by this government on the basis of good fiscal management.

• (1750)

The real problem is that the Reform Party is not only bankrupt of the platform it has carried for six years but it is now trying to steal the Conservatives' plan by uniting the right. The hon. member for St. Albert realizes we are on the right track. He would do exactly what we are doing here because the unions—

Mr. John Williams: Mr. Speaker, I rise on a point of order. The parliamentary secretary is trying to put words in my mouth. Let us remember that he is the one who is speaking and he is the one who is speaking for the Liberal Party, not for the Reform Party.

The Acting Speaker (Mr. McClelland): That is a point of debate.

Mr. Tony Ianno: Mr. Speaker, there is not much they can speak about. That is what the difficulty is. Earlier I said that I would not use the term hot air because that would be unparliamentary, but taking all of that into account, they complain about the lack of time but they never state anything new. It is all on the record. Their speeches are just cut and paste and regurgitate. They hand them out to each other. It is amazing.

Even on the first day of the debate, the hon. member for St. Albert, who at least is very much aware of this issue, had to pass his notes on to another speaker because he had another engagement but that is understandable.

Under this bill the formula for calculating retirement benefits will be based on average salary during the best consecutive five years of service instead of six. That is very positive when we take into account that the formula by which the plan benefits are integrated with the Canada pension plan or the Quebec pension plan benefits in the plan member's favour. The new formula will mean a somewhat smaller reduction in the plan's benefits when an employee begins to draw CPP—

The Acting Speaker (Mr. McClelland): I am sorry, I have to interrupt because we have another question.

I want to assure the House that there is no prohibition for hot air in this chamber. Were there such a prohibition it would put a serious impediment in the path of this House.

Mr. Ken Epp: Mr. Speaker, we know this is a fixed benefit plan.

Government Orders

He says that we get up and regurgitate. The Liberals have said this in every speech they have handed out to their people. I want him to know that I very seldom use notes. When I get up to speak I make sure my outline is in here. I have never ever used a speech that someone else has written.

My real question is on the pension issue. There is a surplus. Quite clearly there is a \$30 billion surplus. They have collected \$30 billion more than they need, actuarially computed at the present time. It is true that the taxpayers put more money into that fund than was needed so the taxpayers should be entitled to have the money taken back and applied to the debt, no problem. When he says that Reform has a problem with that, he is wrong.

How about the contributions made by the employees? They have also been overcharged. Are they not entitled to at least a proportion, an actuarially computed proportion of that overpayment? The Liberals are failing to notice that they are overcharging them and they do not want to give the money back. There is a word for that which I cannot use.

Mr. Tony Ianno: Mr. Speaker, I notice that he should use notes, that he should do research, because the difficulty we have is that he does not understand the facts. That is part of the difficulty he is facing. I wish the hon. member who uses a computer at his desk would put some of the research material in, maybe get on to the Internet and tap into the government's information.

When we take into account that with the government an actuarial evaluator determines how much money is actually required on a year to year basis. Even if there is a surplus the evaluator still determines on a year to year basis how much is required, not taking into account the surplus. That is why since 1991-92 the surplus has increased to \$30 billion. That is what brings us to the point of dealing with this piece of legislation.

Even the auditor general has asked us to reduce the amount of interest we pay on that. We have conformed with the accounting rules that the hon. member for St. Albert should have educated the other hon. members on to ensure they understood the basic facts we were dealing with.

• (1755)

Unfortunately, the hon. member does not realize we take into account that in most pension plans the employees contribute 40%. What has happened here is that the taxpayer is contributing 70%. In effect, that is why Canadian taxpayers year after year contribute more than they would in any other pension plan, even in the private sector. That is what we are facing.

If we take into account the way the grass is growing, I cannot understand why the Reform Party wants Canadian taxpayers to continue contributing to the point where they will contribute almost the total amount and the employee contributes almost zero.

I do not understand why the Reform Party wants to take from the taxpayers' money to pay for the civil servants' pension.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I rise on a point of order with regard to Bill C-78. My point of order challenges the procedural validity of this bill. Bill C-78 should not go forward because the introduction of Bill C-78 was not preceded by a ways and means motion.

As you are aware, Mr. Speaker, a ways and means motion is required when there is a charge upon the people. In Erskine May's 21st edition on page 726 it summarizes what is covered under the term "charges upon the people". Point five states that a ways and means motion is required when there are "provisions for the payment into the consolidated fund or the national loans fund of receipts, which do not arise from taxation".

The Speaker made a similar statement on December 2, 1998 when ruling on Bill S-13. You said, Mr. Speaker, that a ways and means motion is required "if a charge raises funds that are channelled to the consolidated revenue fund".

Bill C-78 empowers the President of the Treasury Board in three clauses to deposit into the consolidated revenue fund pension surpluses arising from contributions or investments. Clause 96, subsection 44.4(2)(b) on page 80 would allow the president to do this in regard to the public service pension fund. Clause 152, subsection 55.4(2)(b) on page 134 deals with the Canadian forces pension fund. Clause 199, subsection 29.4(2)(b) on pages 185 and 186 deals with the Royal Canadian Mounted Police pension fund. I quote clause 96, subsection 44.4(2)(b):

There may be paid out of the public service pension fund, and into the consolidated revenue fund, the amount, at the time and in the manner, that the Treasury Board determines on the recommendation of the Minister.

We must also remember that the pension funds in question contain funds from three specific sources: contributions by the government of Canada; contributions by the civil servants as a percentage of their pay, and we just heard the parliamentary secretary tell us that it was approximately 70% paid by the Government of Canada and 30% paid by the employees; and a return on the foregoing moneys which have been invested in government bonds.

It is therefore plain that the money deducted from the paycheques of public servants will be transferred to the consolidated revenue fund by Bill C-78 at the time and in the manner that the Treasury Board determines at the recommendation of the minister. The measures in Bill C-78 clearly represent a charge upon the people as defined in Erskine May's 21st edition.

The public service of Canada is currently comprised of around 300,000 employees. Bill C-78 will affect 650,000 current and former employees of the public service. However, the public service of Canada is open to all Canadians to apply without

Government Orders

discrimination. Bill C-78 deals with those who have worked in the past, those who work there at present and those who will work there in the future which potentially includes any Canadian citizen. It is therefore a charge upon the people.

• (1800)

The public service pension plan and other plans affected by Bill C-78 are not negotiated plans between employer and employees in the contractual sense. Instead, they are pension plans that are legislated by parliament. Legally there is no employer-employee contractual relationship.

This was confirmed during hearings on Bill C-78 at the natural resources and government operations committee on May 3, 1999 by Mr. Ross Hornby, senior general counsel of the Department of Justice. He said at 5.20 p.m.:

There is no element of contract involved in it (the public service pension plan) or any contractual rights that flow from it.

It is clear from these comments that this is legislated taxation imposed on employees who do not even have the right to express an opinion on this matter.

Mr. Speaker, in your ruling of December 2, 1998 you said:

Modern legislation frequently makes provisions for the imposition of other types of fees or payment which, although not taxes in a strict sense, have enough of the characteristics of taxation to require to be treated as charges upon the people and therefore to be authorized by a ways and means resolution moved by a minister of the crown.

I would argue that because these plans are legislated through acts of parliament and could affect any Canadian citizen as a potential employee of the government they maintain enough characteristics of taxation to be treated as a charge upon the people.

Bill C-78 should not proceed any further because it has not met the requirements of our financial procedures. Since Bill C-78 was not preceded by a ways and means motion, Bill C-78 is not properly before this House and should be removed from the order paper.

I would therefore humbly request that you, Mr. Speaker, defer the vote on third reading of Bill C-78 until you have had time to research the arguments and report back to the House.

The Acting Speaker (Mr. McClelland): This is a point of order and it is fairly serious, so we will ask the Minister of Public Works and Government Services to reply. This will be on the record and the Speaker will make a ruling.

Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.): Mr. Speaker, I just want to make a few points for the record.

Let me say that there was no ways and means motion covering the original Public Service Superannuation Act. That is because the contributions are not tax related upon the general population but are contributions made by a defined and limited group of people in return for the fund benefits. Ways and means motions are required only for tax measures and are charged as a whole to the people, which we call taxes.

I find it very strange that the Reform Party would choose this moment, half an hour before we are to vote, to propose this. Why did it not bring this up at second reading or in committee? Again this is a dilatory measure that the Reform Party is trying. I request that we proceed with the vote as scheduled.

The Acting Speaker (Mr. McClelland): We will consult with the clerks and will have a ruling forthwith.

Hon. Alfonso Gagliano: Mr. Speaker, I would also like to remind you that there is an order of the House that we vote tonight. I hope that is taken into consideration.

Mr. John Williams: Mr. Speaker, I rise on a point of order. In response to the minister, I have put forth a point of order which states that the bill is not properly before the House and therefore—

The Acting Speaker (Mr. McClelland): We should not get into any more debate.

• (1805)

[*Translation*]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I am pleased to speak to Bill C-78, but not because I like it. It is another attack against workers in this country.

One should remember that the federal government took over \$20 billion from the employment insurance fund, money which belonged to workers; this year the surplus is expected to grow by another \$7 billion.

With the bill before us today, Bill C-78, the government will take another \$30 billion from a fund that is just as important. It is significant not only for the public service pension funds. I believe the government has the responsibility to show the way. What it is saying to private companies is "Look. You will now be able to take money from your workers' pension fund". This is exactly what bill C-78 is doing.

When workers have a collective agreement, when money is set aside for them, I say the federal government has no right stealing their money to balance its budget and have a zero deficit just as I said it had no right stealing workers' money from the employment insurance fund.

Whether they are members of PSAC working in government offices or members of the RCMP, the government has been undermining their morale for years by denying them salary increases, and today by trying to lay its hands on their pension funds.

Government Orders

This is money that was negotiated at the bargaining table and it is money that belongs to workers, not to the Minister of Finance so that he can once again tell us what a fine job he is doing.

The way the Liberal government is going after the workers of this country is unacceptable and immoral. Whether it be EI or public sector pension funds, the money still comes out of workers' pockets.

That is not what the Liberals were saying. I say that it is unacceptable and that Canadians will not stand for it. The government has gone after those who have lost their jobs. Now, it is going after future retirees.

I find this deplorable. The government is completely in the wrong and Canadians will not forget it.

[*English*]

Mr. Svend J. Robinson (Burnaby—Douglas, NDP): Mr. Speaker, I want to take the five or six minutes that remain to make a couple of comments with respect to two aspects of this legislation.

First, very briefly I want to associate myself with the comments made by my colleague, the member for Acadie—Bathurst, who spoke very eloquently about why the New Democratic Party is so profoundly opposed to this legislation.

Pensioners are being robbed of a \$30 billion surplus. Let us be clear. There will be \$15 billion taken from the public service pension plan, \$2.4 billion from the RCMP and almost \$13 billion from the Canadian forces. I join with my colleagues in saying that the New Democratic Party strongly opposes this provision in the legislation which will affect something like 670,000 public servants, including retirees and current contributors.

• (1810)

I also want to take this opportunity to deal with another issue and that is the issue of same sex benefits. I deeply regret that the government has chosen to include in legislation that deals with the pension surplus the issue of equity and justice for gay and lesbian people who are involved in committed, loving relationships.

I want to make it very clear that I and my colleagues strongly support this long overdue justice and equality for those who are involved in gay and lesbian relationships.

There are some who ask what this conjugal relationship is all about. Is it some new and dangerous provision in the legislation? Indeed, one of the Reform Party members, the hon. member for Souris—Moose Mountain, said that this bill would destroy the very moral fibre of the country. He said it is a dangerous, destructive bill.

The fact of the matter is that this bill is simply extending not any kind of special rights to gay and lesbian people who are involved in relationships, but equal rights and equal responsibilities. The Supreme Court of Canada ruled just last week in the case of *M. v H.*

that gay and lesbian people are to be treated with equality and that includes those of us who are involved in committed, loving relationships.

For those who say that the notion of a conjugal relationship is something new and undefined, I suggest that they read existing legislation. For example, in the existing Members of Parliament Retiring Allowances Act there is a provision that on the death of a member or a former member extends a survivor's pension to any person of the opposite sex who establishes that the person was cohabiting in a conjugal relationship with the member or former member for at least one year immediately before the death of the member or former member.

It is in the legislation now. For those who say this is somehow a great attack on the moral fibre of the country and a dangerous and destructive new concept, I say: Where have they been? It is already there and it has not caused any difficulty in interpretation whatsoever.

There are federal public servants who contribute to pension plans, whether they be members of the Canadian armed forces, members of the RCMP or members of the public service, who are involved in gay or lesbian relationships. Why should they not be entitled to draw their pension as any other Canadian is entitled to do?

I received a letter recently from a woman in Vancouver who talked about her relationship with her partner of more than 13 years. She said that her partner had died of cancer. She was diagnosed with ovarian cancer. Before that she was an active, healthy, 48 year old woman. She said:

We shared everything as life partners. We were emotionally and financially interdependent. Every aspect of our lives was connected, inter-related. We celebrated our lives together and were embraced by family, friends, and many diverse communities.

We shared in the parenting of two children. I continue to care for them and support them as a co-parent myself and also on behalf of their mother who has died.

This was a family. This was a family of two lesbians who shared their lives. If they contributed to a pension plan, they should be entitled to that benefit.

Finally, I note that the Supreme Court of Canada in *M. v H.* has pointed out the characteristics of a conjugal relationship. It stated: "They include shared shelter, sexual and personal behaviour, services, social activities, economic support and children, as well as the societal perception of the couple".

My relationship with my partner, Max, is an important part of my life, just as the relationships are of other members of the House who are heterosexual with their spouses. All I ask for, and all gay and lesbian people in this country ask for, is equality; nothing more and nothing less. For that reason we support those provisions of the bill, but we must oppose the theft of \$30 billion in pension funds.

Government Orders

The Acting Speaker (Mr. McClelland): It being 6.15 p.m., pursuant to order made on Thursday, May 13, 1999, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the third reading stage of the bill now before the House.

As hon. members know, there is an outstanding point of order also before the House and that point of order may be ruled upon at any time prior to the bill being read for the actual vote. The Speaker and the clerks are in consultation as we speak.

• (1815)

The question is on third reading of Bill C-78. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

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

• (1835)

And the bells having rung:

The Speaker: I am now ready to rule on the point of order raised by the hon. member for St. Albert concerning the procedural acceptability of Bill C-78, an act to establish the Public Sector Pension Investment Board, to amend the Public Service Superannuation Act, the Canadian Forces Superannuation Act, the Royal Canadian Mounted Police Superannuation Act, the Defence Services Pension Continuation Act, the Royal Canadian Mounted Police Pension Continuation Act, the Members of Parliament Retiring Allowances Act and the Canada Post Corporation Act and to make a consequential amendment to another act.

• (1840)

The hon. member contends that Bill C-78 imposes a “charge upon the people” in that it proposes to make any of these pension plan surpluses payable to the consolidated revenue fund. This, he argues, constitutes a form of tax which would require the bill to be preceded by a ways and means motion.

In the time available to me I have carefully reviewed the remarks made by the hon. member and I have noted that he makes no mention of the fact that any shortfalls in these plans accrue as a liability to the Government of Canada.

Under the heading of “Matters requiring authorization by Ways and Means”, May in the 22nd edition at page 777 states in part:

If—money raised by statutory imposition—is—to be used for the benefit of the public at large or for purposes which might otherwise have required to be financed from the Consolidated Fund, that imposition is likely to need authorization by a Ways and Means resolution.

However, as the hon. Minister of Public Works and Government Services has pointed out, the legislation affects not the Canadian public in general but “a defined and limited group of people” who, as co-contributors, will be entitled to a defined benefit.

Consequently I cannot agree with the hon. member for St. Albert. I rule that Bill C-78 is properly before the House and we will proceed with the vote on third reading.

• (1850)

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

(Division No. 450)

YEAS

Members

Adams	Alcock
Anderson	Assad
Augustine	Axworthy (Winnipeg South Centre)
Baker	Bakopanos
Barnes	Beaunier
Belair	Belanger
Bellemare	Bennett
Bertrand	Bevilacqua
Blondin-Andrew	Bonwick
Boudria	Bradshaw
Brown	Bryden
Bulte	Byrne
Caccia	Cannis
Caplan	Carroll
Catterall	Cauchon
Chamberlain	Chan
Charbonneau	Chrétien (Saint-Maurice)
Clouthier	Coderre
Collenette	Comuzzi
Copps	Cullen
DeVillers	Dhaliwal
Dion	Discepolo
Dromisky	Drouin
Duhamel	Easter
Eggleton	Finestone
Finlay	Folco
Fontana	Fry
Gagliano	Galloway
Godfrey	Gray (Windsor West)
Grose	Guarnieri
Harb	Harvard
Ianno	Jackson
Jennings	Jordan
Karetak-Lindell	Keys
Kilger (Stormont—Dundas—Charlottenburgh)	Kilgour (Edmonton Southeast)
Knutson	Kraft Sloan
Lastewka	Lavigne
Lee	Leung
Limoges (Windsor—St. Clair)	Longfield
MacAulay	Mahoney
Malhi	Maloney

Private Members' Business

Manley	Marchi
Martin (LaSalle—Émard)	Massé
McCormick	McGuire
McKay (Scarborough East)	McLellan (Edmonton West)
McWhinney	Mifflin
Milliken	Mills (Broadview—Greenwood)
Minna	Mitchell
Murray	Myers
Nault	Normand
Nunziata	O'Brien (Labrador)
Pagtakhan	Paradis
Parrish	Patry
Peterson	Pettigrew
Phinney	Pickard (Chatham—Kent Essex)
Pillitteri	Proud
Provenzano	Redman
Reed	Richardson
Robillard	Rock
Saada	Scott (Fredericton)
Sekora	Serré
Shepherd	Speller
St. Denis	Stewart (Brant)
Stewart (Northumberland)	St-Julien
Szabo	Telegdi
Thibeault	Torsney
Valeri	Vanclief
Whelan	Wilfert
Wood—137	

Ramsay	Riis
Ritz	Robinson
Rocheleau	Sauvageau
Schmidt	Scott (Skeena)
Solberg	Steckle
St-Hilaire	Stoffer
Strahl	Tremblay (Lac-Saint-Jean)
Ur	Vautour
Vellacott	Wappel
Wasylcia-Leis	Wayne
White (North Vancouver)	Williams—118

PAIRED MEMBERS

Assadourian	Canuel
de Savoye	Duceppe
Goodale	Graham
Iftody	Karygiannis
Laurin	Marceau
Marleau	Perron
Pratt	Tremblay (Rimouski—Mitis)
Turp	Volpe

The Speaker: I declare the motion carried.

(Bill read the third time and passed)

NAYS

Members

Abbott	Ablonczy
Alarie	Anders
Asselin	Bachand (Richmond—Arthabaska)
Bachand (Saint-Jean)	Bailey
Bellehumeur	Benoit
Bergeron	Bernier (Bonaventure—Gaspé—
Îles-de-la-Madeleine—Pabok)	Bigras
Blaikie	Breitkreuz (Yellowhead)
Brien	Brisson
Cadman	Calder
Cardin	Casey
Casson	Chatters
Chrétien (Frontenac—Mégantic)	Crête
Cummins	Dalphond-Guiral
Davies	Debien
Desjarlais	Desrochers
Dockrill	Dubé (Lévis-et-Chutes-de-la-Chaudière)
Dubé (Madawaska—Restigouche)	Dumas
Duncan	Earle
Epp	Fournier
Gagnon	Gauthier
Gilmour	Girard-Bujold
Godin (Acadie—Bathurst)	Godin (Châteauguay)
Goldring	Grewal
Grey (Edmonton North)	Guay
Guimond	Hanger
Harris	Hart
Harvey	Herron
Hill (Macleod)	Hill (Prince George—Peace River)
Hilstrom	Hoeppner
Hubbard	Jaffer
Johnston	Jones
Kenney (Calgary Southeast)	Kerpan
Konrad	Laliberte
Lalonde	Lebel
Lefebvre	Lill
Loubier	Lowther
Lunn	MacKay (Pictou—Antigonish—Guysborough)
Manning	Marchand
Mark	Martin (Esquimalt—Juan de Fuca)
Matthews	Mayfield
McDonough	McNally
McTeague	Ménard
Mercier	Meredith
Morrison	Muise
Nystrom	Pankiw
Penson	Picard (Drummond)
Plamondon	Power
Proctor	

PRIVATE MEMBERS' BUSINESS

[English]

YOUNG OFFENDERS ACT

The House resumed from May 13 consideration of the motion that Bill C-260, an act to amend the Young Offenders Act, be read the second time and referred to a committee.

The Speaker: Pursuant to order made earlier today the House will now proceed to the taking of the deferred recorded division on the motion at the second reading stage of Bill C-260 under Private Members' Business.

As this is a private member's bill, the mover sitting on the opposition side will have the first vote. All those who are in favour of the motion on my left from the back row forward will vote. Then all those who are in favour from the back row on my right and forward will vote.

● (1900)

Before the taking of the vote:

Mr. Peter Stoffer: Mr. Speaker, I rise on a point of order. I apologize for taking up the time of the House, but I would like, if possible, to have my vote recorded in favour of this motion.

The Speaker: It will be recorded.

Ms. Angela Vautour: Mr. Speaker, I would also like to be recorded as being in favour of this motion.

The Speaker: It will be recorded.

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

Private Members' Business

(Division No. 451)

YEAS

Members

Abbott
 Adams
 Anders
 Assad
 Axworthy (Winnipeg South Centre)
 Bailey
 Bélair
 Bennett
 Bertrand
 Blaikie
 Bonwick
 Breitreuz (Yellowhead)
 Bulte
 Calder
 Carroll
 Casson
 Cauchon
 Chan
 Chatters
 Collenette
 Copps
 Cummins
 Discepolo
 Duhamel
 Easter
 Epp
 Finlay
 Gagliano
 Gilmour
 Grewal
 Guarnieri
 Harb
 Harvey
 Hill (Prince George—Peace River)
 Hoepfner
 Jaffer
 Jones
 Karetak-Lindell
 Kerpan
 Kilger (Stormont—Dundas—Charlottenburgh)
 Knutson
 Lastewka
 Leung
 Longfield
 Lunn
 MacKay (Pictou—Antigonish—Guysborough)
 Maloney
 Manning
 Mark
 Martin (LaSalle—Émard)
 Matthews
 McCormick
 McKay (Scarborough East)
 McTeague
 Meredith
 Mills (Broadview—Greenwood)
 Morrison
 Murray
 Nault
 Nunziata
 O'Brien (London—Fanshawe)
 Pankiw
 Penson
 Pettigrew
 Pillitteri
 Provenzano
 Redman
 Richardson
 Ritz
 Rock
 Scott (Fredericton)
 Sekora
 Shepherd
 St. Denis
 Stewart (Northumberland)
 Strahl
 Thibeault
 Valeri
 Vautour
 Wappel
 Whelan
 Wilfert

Ablonczy
 Alcock
 Anderson
 Augustine
 Bachand (Richmond—Arthabaska)
 Baker
 Bellemare
 Benoit
 Bevilacqua
 Bonin
 Boudria
 Brison
 Cadman
 Cannis
 Casey
 Catterall
 Chamberlain
 Charbonneau
 Clouthier
 Comuzzi
 Cullen
 Dion
 Dubé (Madawaska—Restigouche)
 Duncan
 Eggleton
 Finestone
 Fontana
 Gallaway
 Goldring
 Grey (Edmonton North)
 Hanger
 Harris
 Herron
 Hilstrom
 Ianno
 Johnston
 Jordan
 Kenney (Calgary Southeast)
 Keyes
 Kilgour (Edmonton Southeast)
 Konrad
 Lee
 Limoges (Windsor—St. Clair)
 Lowther
 MacAulay
 Mahoney
 Manley
 Marchi
 Martin (Esquimalt—Juan de Fuca)
 Massé
 Mayfield
 McGuire
 McNally
 McWhinney
 Mifflin
 Mitchell
 Muise
 Myers
 Normand
 O'Brien (Labrador)
 Pagtakhan
 Paradis
 Peterson
 Pickard (Chatham—Kent Essex)
 Power
 Ramsay
 Reed
 Riis
 Robillard
 Schmidt
 Scott (Skeena)
 Serré
 Solberg
 Steckle
 Stoffer
 Szabo
 Ur
 Vanclief
 Vellacott
 Wayne
 White (North Vancouver)
 Williams —164

NAYS

Members

Alarie
 Bachand (Saint-Jean)
 Beaumier
 Bergeron
 Îles-de-la-Madeleine—Pabok)
 Blondin-Andrew
 Brown
 Caccia
 Chrétien (Frontenac—Mégantic)
 Crête
 Davies
 Desjarlais
 Dhaliwal
 Dromisky
 Dubé (Lévis-et-Chutes-de-la-Chaudière)
 Earle
 Fournier
 Gauthier
 Godfrey
 Godin (Châteauguay)
 Guimond
 Hubbard
 Jennings
 Laliberte
 Lebel
 Lill
 Loubier
 Marchand
 Ménard
 Minna
 Parrish
 Phinney
 Plamondon
 Robinson
 Sauvageau
 St-Julien
 Tremblay (Lac-Saint-Jean)
 Wood—74

Asselin
 Barnes
 Bellehumeur
 Bernier (Bonaventure—Gaspé—
 Bigras
 Brien
 Bryden
 Cardin
 Coderre
 Dalphond-Guiral
 Debien
 Desrochers
 Dockrill
 Drouin
 Dumas
 Folco
 Gagnon
 Girard-Bujold
 Godin (Acadie—Bathurst)
 Guay
 Harvard
 Jackson
 Kraft Sloan
 Lalonde
 Lefebvre
 Lincoln
 Malhi
 McDonough
 Mercier
 Nystrom
 Patry
 Picard (Drummond)
 Proctor
 Rocheleau
 St-Hilaire
 Telegdi
 Wasylcia-Leis

PAIRED MEMBERS

Assadourian
 de Savoye
 Goodale
 Ifody
 Laurin
 Marleau
 Pratt
 Turp

Canuel
 Duceppe
 Graham
 Karygiannis
 Marceau
 Perron
 Tremblay (Rimouski—Mitis)
 Volpe

The Speaker: I declare the motion carried. Accordingly the bill stands referred to the Standing Committee on Justice and Human Rights.

(Bill read the second time and referred to a committee)

* * *

● (1905)

LEGALIZATION OF MARIJUANA FOR HEALTH AND MEDICAL PURPOSES

The House resumed consideration of the motion.

Private Members' Business

The Speaker: Pursuant to an order made earlier today the House will now proceed to the taking of the deferred recorded division on the amendment to the amendment to Motion No. 381 under Private Members' Business. The question is on the amendment to the amendment.

We will take this vote the same way we did for the previous private member's bill. The first one to vote will be on my left and we will follow the regular procedure.

● (1915)

(The House divided on the amendment to the amendment, which was negated on the following division:)

*(Division No. 452)***YEAS****Members**

Alarie	Asselin
Bachand (Saint-Jean)	Beaumier
Bélanger	Bellehumeur
Bergeron	Bernier (Bonaventure—Gaspé—
Îles-de-la-Madeleine—Pabok)	Bigras
Blaikie	Brien
Caccia	Cardin
Chrétien (Frontenac—Mégantic)	Crête
Dalphondu-Guiral	Davies
Debien	Desjarlais
Desrochers	Dockrill
Dubé (Lévis-et-Chutes-de-la-Chaudière)	Dumas
Earle	Fournier
Gagnon	Galloway
Gauthier	Girard-Bujold
Godin (Acadie—Bathurst)	Godin (Châteauguay)
Guay	Guimond
Laliberté	Lalonde
Lefebvre	Lill
Loubier	Marchand
McDonough	Ménard
Mercier	Nystrom
O'Brien (Labrador)	Picard (Drummond)
Plamondon	Proctor
Redman	Riis
Robinson	Rocheleau
Sauvageau	St-Hilaire
Stoffer	Telegdi
Tremblay (Lac-Saint-Jean)	Vautour
Wasylcia-Leis —58	

NAYS**Members**

Ablonczy	Adams
Alcock	Anders
Anderson	Assad
Augustine	Axworthy (Winnipeg South Centre)
Bachand (Richmond—Arthabaska)	Bailey
Baker	Bélair
Bellemare	Bennett
Benoit	Bertrand
Bevilacqua	Blondin-Andrew
Bonin	Boudria
Bradshaw	Breitkreuz (Yellowhead)
Brisson	Bryden
Bulte	Byrne
Cadman	Calder
Cannis	Caplan
Carroll	Casey

Casson	Catterall
Cauchon	Chamberlain
Chan	Charbonneau
Chatters	Clouthier
Coderre	Collenette
Comuzzi	Copps
Cullen	Cummins
Dhaliwal	Dion
Discepola	Dromisky
Drouin	Dubé (Madawaska—Restigouche)
Duhamel	Duncan
Easter	Eggleton
Epp	Finestone
Finlay	Folco
Fontana	Fry
Gagliano	Gilmour
Godfrey	Goldring
Grewal	Grey (Edmonton North)
Guarnieri	Hanger
Harb	Harvard
Harvey	Herron
Hill (Prince George—Peace River)	Hilstrom
Hoepfner	Hubbard
Jackson	Jaffer
Jennings	Johnston
Jones	Jordan
Karetak-Lindell	Kenney (Calgary Southeast)
Kerpan	Keys
Kilger (Stormont—Dundas—Charlottenburgh)	Kilgour (Edmonton Southeast)
Knutson	Konrad
Lastewka	Lavigne
Lee	Leung
Limoges (Windsor—St. Clair)	Lincoln
Longfield	Lowther
Lunn	MacAulay
MacKay (Pictou—Antigonish—Guysborough)	Mahoney
Malhi	Maloney
Manley	Manning
Marchi	Mark
Martin (Esquimalt—Juan de Fuca)	Martin (LaSalle—Émard)
Massé	Matthews
Mayfield	McCormick
McGuire	McKay (Scarborough East)
McNally	McTeague
McWhinney	Meredith
Mifflin	Mills (Broadview—Greenwood)
Minna	Mitchell
Morrison	Muise
Murray	Myers
Nault	Normand
Nunziata	O'Brien (London—Fanshawe)
Pagtakhan	Pankiw
Paradis	Patry
Penson	Peterson
Pettigrew	Phinney
Pickard (Chatham—Kent Essex)	Pillitteri
Power	Provenzano
Ramsay	Reed
Richardson	Ritz
Robillard	Rock
Saada	Schmidt
Scott (Fredericton)	Scott (Skeena)
Sekora	Serré
Shepherd	Solberg
St. Denis	Steckle
Stewart (Northumberland)	St-Julien
Strahl	Szabo
Thibeault	Ur
Vanclief	Vellacott
Wappel	Wayne
Whelan	Wilfert
Williams	Wood—176

PAIRED MEMBERS

Assadourian	Canuel
de Savoye	Duceppe
Goodale	Graham

Private Members' Business

Ifody
Laurin
Marleau
Pratt
Turp

Karygiannis
Marceau
Perron
Tremblay (Rimouski—Mitis)
Volpe

Lunn
MacKay (Pictou—Antigonish—Guysborough)
Malhi
Manley
Marchi
Martin (Esquimalt—Juan de Fuca)
Massé
McCormick
McKay (Scarborough East)
McWhinney
Mifflin
Minna
Murray
Nault
Nunziata
Pagtakhan
Paradis
Patri
Pettigrew
Pickard (Chatham—Kent Essex)
Provenzano
Redman
Richardson
Rock
Scott (Fredericton)
Shepherd
St. Denis
Strahl
Telegdi
Torsney
Wappel
Williams

MacAulay
Mahoney
Maloney
Manning
Mark
Martin (LaSalle—Émard)
Matthews
McGuire
McTeague
Meredith
Mills (Broadview—Greenwood)
Mitchell
Myers
Normand
O'Brien (London—Fanshawe)
Pankiw
Parrish
Peterson
Phinney
Power
Ramsay
Reed
Robillard
Saada
Scott (Skeena)
Solberg
Stewart (Northumberland)
Szabo
Thibeault
Vanclief
Whelan
Wood—158

The Speaker: I declare the amendment to the amendment defeated.

The next question is on the amendment.

• (1925)

Before the taking of the vote:

Mrs. Diane Ablonczy: Mr. Speaker, I rise on a point of order. My colleagues think I am going on the theory that we should vote early, vote often but I want to vote in support of the motion. I stood up twice.

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

(Division No. 453)

YEAS

Members

Ablonczy
Alcock
Anderson
Augustine
Bachand (Richmond—Arthabaska)
Barnes
Bélair
Bellemare
Benoit
Bevilacqua
Bonin
Bradshaw
Brown
Bulte
Cadman
Cannis
Carroll
Casson
Cauchon
Chan
Clouthier
Collenette
Coppes
Dhaliwal
Discepola
Drouin
Duhamel
Easter
Epp
Finlay
Fontana
Gagliano
Godfrey
Grey (Edmonton North)
Harb
Harvey
Jackson
Jennings
Jones
Karetak-Lindell
Kerpan
Kilger (Stormont—Dundas—Charlottenburgh)
Konrad
Lastewka
Lee
Limoges (Windsor—St. Clair)
Longfield

Adams
Anders
Assad
Axworthy (Winnipeg South Centre)
Baker
Beaumier
Bélanger
Bennett
Bertrand
Blondin-Andrew
Boudria
Brisson
Bryden
Byrne
Calder
Caplan
Casey
Catterall
Chamberlain
Charbonneau
Coderre
Comuzzi
Cullen
Dion
Dromisky
Dubé (Madawaska—Restigouche)
Duncan
Eggleton
Finestone
Folco
Fry
Gilmour
Grewal
Guarnieri
Harvard
Ianno
Jaffer
Johnston
Jordan
Kenney (Calgary Southeast)
Keyes
Kilgour (Edmonton Southeast)
Kraft Sloan
Lavigne
Leung
Lincoln
Lowther

NAYS

Members

Alarie
Bachand (Saint-Jean)
Bellehumeur
Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok)
Bigras
Breitkreuz (Yellowhead)
Caccia
Chatters
Crête
Dalphond-Guiral
Debien
Desrochers
Dubé (Lévis-et-Chutes-de-la-Chaudière)
Earle
Gagnon
Girard-Bujold
Godin (Châteauguay)
Guay
Hanger
Hill (Prince George—Peace River)
Hoepfner
Laliberte
Lefebvre
Loubier
Mayfield
McNally
Mercier
Nystrom
Penson
Pillitteri
Proctor
Ritz
Rocheleau
Schmidt
Steckle
St-Julien
Tremblay (Lac-Saint-Jean)
Vellacott
Wayne

Asselin
Bailey
Bergeron
Blaikie
Brien
Cardin
Chrétien (Frontenac—Mégantic)
Cummins
Davies
Desjarlais
Dockrill
Dumas
Fournier
Gauthier
Godin (Acadie—Bathurst)
Goldring
Guimond
Herron
Hilstrom
Hubbard
Lalonde
Lill
Marchand
McDonough
Ménard
Muisé
O'Brien (Labrador)
Picard (Drummond)
Plamondon
Riis
Robinson
Sauvageau
Serré
St-Hilaire
Stoffer
Vautour
Wasylcia-Leis
Wilfert—77

PAIRED MEMBERS

Assadourian
de Savoye
Goodale

Canuel
Duceppe
Graham

Private Members' Business

Ifody
Laurin
Marleau
Pratt
Turp

Karygiannis
Marceau
Perron
Tremblay (Rimouski—Mitis)
Volpe

Gilmour
Godfrey
Godin (Châteauguay)
Guarnieri
Guimond
Harvard
Ianno
Jaffer
Johnston
Jordan
Kerpan
Kilger (Stormont—Dundas—Charlottenburgh)
Konrad
Laliberte
Lastewka
Lee
Leung
Limoges (Windsor—St. Clair)
Longfield
Lowther
MacAulay
Mahoney
Maloney
Marchand
Mark
Massé
McCormick
McGuire
McTeague
Ménard
Meredith
Mills (Broadview—Greenwood)
Mitchell
Myers
Normand
Nystrom
O'Brien (London—Fanshawe)
Paradis
Petry
Pettigrew
Pickard (Chatham—Kent Essex)
Power
Provenzano
Redman
Richardson
Robillard
Rocheleau
Saada
Schmidt
Scott (Skeena)
Solberg
Stewart (Northumberland)
Stoffer
Szabo
Thibeault
Tremblay (Lac-Saint-Jean)
Vautour
Wasylcia-Leis
Wood—203

Girard-Bujold
Godin (Acadie—Bathurst)
Grewal
Guay
Harb
Harvey
Jackson
Jennings
Jones
Karetak-Lindell
Keyes
Kilgour (Edmonton Southeast)
Kraft Sloan
Lalonde
Lavigne
Lefebvre
Lill
Lincoln
Loubier
Lunn
MacKay (Pictou—Antigonish—Guysborough)
Malhi
Manley
Marchi
Martin (Esquimalt—Juan de Fuca)
Matthews
McDonough
McKay (Scarborough East)
McWhinney
Mercier
Mifflin
Minna
Murray
Nault
Nunziata
O'Brien (Labrador)
Pagtakhan
Parrish
Peterson
Picard (Drummond)
Plamondon
Proctor
Ramsay
Reed
Riis
Robinson
Rock
Sauvageau
Scott (Fredericton)
Shepherd
St. Denis
St-Hilaire
Strahl
Telegdi
Torsney
Vanclief
Wappel
Whelan

The Speaker: I declare the amendment carried.

The next question is on the main motion, as amended.

● (1935)

Before the taking of the vote:

Mr. Monte Solberg: Mr. Speaker, I rise on a point of order. It appears I inadvertently voted twice and I want the record to show that I support the motion.

Mr. Tony Ianno: Mr. Speaker, I rise on a point of order. I am just wondering if the hon. member for Medicine Hat is the finance critic.

The Speaker: The member is out of order.

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

*(Division No. 454)***YEAS**

Members

Ablonczy	Adams
Alarie	Alcock
Anders	Anderson
Assad	Asselin
Augustine	Axworthy (Winnipeg South Centre)
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Baker	Barnes
Beaumier	Bélaire
Bélanger	Bellehumeur
Bellemare	Bennett
Benoit	Bergeron
Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok)	Bertrand
Bertrand	Bevilacqua
Bigras	Blaikie
Blondin-Andrew	Bonin
Boudria	Bradshaw
Brien	Brisson
Brown	Bryden
Bulte	Byrne
Caccia	Cadman
Calder	Cannis
Caplan	Cardin
Carroll	Casey
Casson	Cauchon
Chamberlain	Chan
Charbonneau	Chrétien (Frontenac—Mégantic)
Clouthier	Coderre
Collenette	Comuzzi
Crête	Cullen
Dalphon-Guiral	Davies
Debien	Desjarlais
Desrochers	Dhaliwal
Dion	Discepola
Dockrill	Dromisky
Drouin	Dubé (Lévis-et-Chutes-de-la-Chaudière)
Dubé (Madawaska—Restigouche)	Duhamel
Dumas	Duncan
Earle	Easter
Eggleton	Epp
Finestone	Finlay
Folco	Fontana
Fournier	Fry
Gagliano	Gagnon
Gauthier	

NAYS

Members

Abbott	Bailey
Breitbart (Yellowhead)	Chatters
Cummins	Goldring
Grey (Edmonton North)	Hanger
Herron	Hill (Prince George—Peace River)
Hilstrom	Hoepfner
Hubbard	Manning
Mayfield	McNally
Morrison	Muise
Pankiw	Penson
Pillitteri	Ritz
Serré	Steckle
St-Julien	Vellacott
Wayne	Wilfert
Williams—29	

Adjournment Debate

PAIRED MEMBERS

Assadourian
de Savoye
Goodale
Iftody
Laurin
Marleau
Pratt
Turp

Canuel
Duceppe
Graham
Karygiannis
Marceau
Perron
Tremblay (Rimouski—Mitis)
Volpe

The Speaker: I declare the motion, as amended, carried.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

NATIONAL DEFENCE

Mr. Gordon Earle (Halifax West, NDP): Madam Speaker, I rise today to raise the issue of the desperate shape of our Canadian forces helicopters.

Let us listen to this litany of shame: February 1993, Sea King ditched in Gulf of Mexico due to electrical systems failure; April 1994, Sea King crashed in New Brunswick killing two crew and injuring others; August 1994, Sea King fleet grounded following emergency landing; May 1995, Labrador had emergency landing due to mechanical problems; September 1995, Sea King had emergency landing due to mechanical problems; August 1996, three Sea Kings grounded due to cracks in tail section; January 1997, Labrador crashed in Georgia Strait; October 1998, Labrador crash killed six; February 1999, Sea King in trouble due to bad main rotorhead; March 1999, Labrador adrift on lake due to losing both engines; March 1999, Sea King had emergency landing due to electrical systems; May 1999, Sea King makes forced landing due to leak in hydraulic system.

• (1940)

There is one more date of note. On June 26, 1986 the Treasury Board began the process of replacing the Sea Kings. Almost 13 years have passed since then, 13 years.

The Liberal government turned our forces helicopters into hell-copters when in June or July of 1995 the cabinet chose to delay the purchase of the replacement helicopters. It was a cheap

political decision at the time but has become costly and poses serious issues in terms of the safety of Canadian lives.

These mechanical albatrosses may have led to the unnecessary deaths of Canadians and continue to present safety hazards and risk to life. I say unnecessary because the Liberal government made a very specific decision to delay the purchase of the helicopters.

It is not as if the minister and his government did not know of the problems. Headlines have screamed out the following news to Canadians for some time: Labradors unable to join rescue; helicopters grounded again; aging helicopters risk lives; faulty chopper delays recovery of 11-year old; helicopter malfunctioned days before crash; helicopter kills two veteran firefighters; the Liberals' chopper whopper; Sea Kings a threat; Sea King makes emergency landing.

The government may respond with platitudes about taking time to make sure the right choice is made, care for fiscal responsibility, that plans are proceeding well and the need to ensure the finished product is safe. Canadians are sick and tired of excuses.

The government must answer three questions. First, what specific short term alternatives has the government explored, including short term leases until the new helicopters are operational? Second, what specific efforts has the government made to speed up the procurement process and why exactly have these efforts failed? Third, what month will the replacement helicopters be operational?

A failure on behalf of the Liberal government to openly, honestly and completely answer these three questions is a gross betrayal not of me but of the families and communities who have lost loved ones, a betrayal of Canadian forces personnel who have no alternative but to continue to use these aging helicopters, a betrayal of all Canadians and a betrayal of good government.

I express my gratitude for all Canadian forces personnel who will bear the brunt of the Liberal government's mismanagement of the issue. They are the heroes in this tragedy of errors wrought by the government.

[*Translation*]

Mr. Robert Bertrand (Parliamentary Secretary to Minister of National Defence, Lib.): Madam Speaker, maritime helicopters are essential to the mission of the Canadian forces.

It is our duty to ensure that the Canadian forces possess the equipment they require to accomplish their mission, both in Canada and abroad.

In his 1994 white paper, the minister made a commitment to replace the Sea Kings, and this is an essential project for the Minister of National Defence. On numerous occasions, the minister has expressed his desire to implement a strategy involving the acquisition of maritime helicopters in the near future. In fact, the

Adjournment Debate

minister has said he hoped to make an announcement on this issue in the current year.

Department officials are currently reviewing a draft of the requirements established for maritime helicopters. The statement of operational requirements, which is more or less the basis of the project, is undergoing several revisions and rewriting, and is the object of a close review at several levels within the department.

It is on the basis of that document that we will buy several millions of dollars worth of very complex military equipment. Therefore, it is critical that we do what is necessary to ensure the process is implemented properly from the beginning.

It is also important that the industry, Canadians and any other person interested in this issue can read and understand the statement of requirements that will be released. However, more importantly, the new maritime helicopter must meet Canadians forces' policy requirements and operational requirements. This is a must, and there will be no compromise on this point.

We will do our utmost to ensure the Sea Kings remain in service until the arrival of the new maritime helicopter.

The recent minor problems were dealt with, and we will do what it takes to make sure our aircraft are safe to fly.

The Sea Kings will be upgraded if need be, and I have no doubt we will be able to carry out our mission with the equipment currently available to the Canadian armed forces. *pluriel*

• (1945)

[*English*]

FISHERIES AND OCEANS

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Madam Speaker, I rise today again on a question I asked regarding the exploratory seismic licences that were given to the company Corridor Resources from the Canada-Nova Scotia Offshore Petroleum Board.

I raise this concern because those seismic drilling exploration leases, which we have now found out are six months delayed so they could be done in the wintertime, are right in the heart of the lobster spawning grounds off the coast of Cape Breton, on the inside coast in the gulf and around P.E.I. where the member for Malpeque is from, as well as in the New Brunswick area.

If this company is allowed to have the exploratory licence to do its seismic drilling, it will expand the drilling throughout the entire gulf. This means that the province of Quebec and the province of Newfoundland and Labrador will be incorporated in this concern as well.

The reason I am speaking on this today is that over 2,000 lobster fishermen in Cape Breton, New Brunswick and P.E.I. have very serious concerns about their livelihood.

Since the downturn of the groundfish fishery a lot of fishermen have turned to lobster or shellfish as their main livelihood in order to live in their coastal communities and look after their families. They do not make very much money doing this.

If we allow this to go forward we are risking the possible long term environmental damage of a very sustainable stock. In Newfoundland, in fact in all Atlantic Canada and Quebec it is an over half a billion dollar industry. The government only spends about \$330,000 a year on experiments and the science and study of the lobster itself.

I would ask the government to be very cautious and prudent in its environmental assessment of the project to ensure that there will be no damage in the short term or the long term to the lobster stocks, scallop stocks, crab stocks or whatever shellfish is out there.

There are indications that the groundfish breed out there as well. We must be very cautious to protect those species so that in turn we can protect the livelihood of thousands of people and their families in coastal communities in Atlantic Canada.

This begs another question. Why did the Fisheries Resource Conservation Council along with the Department of Fisheries and Oceans not immediately put a halt to this lease before all environmental assessments were done in the long term? We cannot do a proper assessment in six months. It is 1999 and we are still in the embryonic stage of wondering if seismic oil and gas drilling definitely affects the lobsters. There are a lot of indications from the fishermen that indeed they do. The DFO spends very little money on science in this regard.

I ask the government again that the FRCC, the DFO's advisory board and the DFO itself, the department responsible for management of the habitat area and the fish stocks as well, be extremely prudent and cautious in their efforts in order to protect the livelihood of thousands of people in Atlantic Canada.

Mr. Wayne Easter (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Madam Speaker, as I answered previously, we are pleased to see that the member opposite shares our concerns and the minister's concerns over fish habitat.

He mentioned about being cautious. If there is one thing the minister has clearly shown, it is that he has made some tough decisions in terms of protecting fish and fish habitat. He will continue to do that.

In terms of the specifics of this case, the recent issuance of an exploratory licence for the Cape Breton block, it is important to recognize that this is not a blanket approval for future oil and gas

Adjournment Debate

activities. The licence only confers the right to explore the lands covered by the licence, drill and test for petroleum and obtain a production licence in respect of those lands.

Each exploration project proposal under this licence will have to undergo an environmental assessment and will have to be approved by the Canada-Nova Scotia Offshore Petroleum Board.

Due to the concerns that have been identified in the Cape Breton block, the board has decided to put a six months hold on any exploration activities so that additional discussions and environmental analyses can be carried out.

A strategic environmental assessment is currently being done for the Cape Breton block in order to identify and provide an initial evaluation of the issues on which future project specific assessments completed by the industry should focus.

• (1950)

During 1999 research will be carried out on the effects of seismic exploration on the east coast fishery through support from the environmental sciences research fund. In addition, the role of Canada-Nova Scotia Petroleum Board in regulating the petroleum industry in—

The Acting Speaker (Ms. Thibeault): I am afraid I must interrupt the parliamentary secretary as his time has run out.

NAV CANADA

Mr. Bill Casey (Cumberland—Colchester, PC): Madam Speaker, I rise again today to raise the subject of an unsafe condition in Kelowna, British Columbia, identified by the Department of Transport over 11 years ago.

My question is brought on by a puzzling situation where Nav Canada within the last few weeks announced a \$90 million reduction in fees voluntarily. I do not understand why it has reduced its fees by \$90 million and still refuses to replace the air traffic control tower in Kelowna.

Allow me to read into the record the operational condition report dated November 4, 1987:

Due to the location and/or the height of the control tower a portion of the runway and taxiways is not visible. A runway incursion going unnoticed is now a major safety concern. The margin of safety has been jeopardized. A restricted line of sight visibility has been identified as a major safety concern by the Canadian Aviation Safety Board.

This report lists only two possible solutions to the problem. First, raise the present control tower two or three stories to a height that would ensure line of sight for all manoeuvring areas or, second, build a brand new control tower in a location which would ensure line of sight for all manoeuvring areas.

The manager in reply to this report by the inspector said line of sight difficulties had been recognized as a problem in Kelowna. The inspector identified it and the manager confirmed it.

How can this situation be safe now and how can Nav Canada refuse to replace the air traffic control tower or raise the present one? How can it be safe now when it was not safe in 1987? Why was the tower required to be replaced in 1987 but is not required to be now?

Would the Parliamentary Secretary to the Minister of Transport please reply to that question and explain why Nav Canada is reducing its charges by \$90 million and still refusing to replace the condemned tower in Kelowna?

Mr. Stan Dromisky (Parliamentary Secretary to Minister of Transport, Lib.): Madam Speaker, I am pleased to have the opportunity to respond to the issue raised by the hon. member for Cumberland—Colchester this evening on the air traffic control tower at Kelowna airport.

I begin by assuring the member that Nav Canada applies air traffic control procedures to address visibility limitations such as those at Kelowna airport. Transport Canada is satisfied with the corporation's actions to mitigate any potential safety risk until a more permanent solution is available.

I emphasize that Transport Canada no longer has an operational role with respect to the provision of air traffic control services in Canada. Nav Canada is responsible for these services including the operation, location and construction of air traffic control towers.

I reiterate that the airport operator is expanding the apron parking area and construction has already begun. This will contribute to alleviating the obstruction of views caused by the parking of large aircraft. In the longer term Nav Canada is continuing its efforts to install an effective video system and is commencing feasibility studies for the location of a new tower.

As we know, safety is Transport Canada's top priority and the Minister of Transport continues to be responsible for safety oversight. The member may be assured that Transport Canada will continue to monitor the Kelowna airport as part of the department's ongoing airport inspection program.

[*Translation*]

The Acting Speaker (Ms. Thibeault): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.54 p.m.)

CONTENTS

Tuesday, May 25, 1999

Report of Commissioner of the Environment and Sustainable Development

The Speaker 15227

PRIVATE MEMBERS' BUSINESS

Legalization of Marijuana for Health and Medical Reasons

Motion 15227

Mr. Kilger 15227

Motion 15227

(Motion agreed to) 15227

Mr. Martin (Esquimalt—Juan de Fuca) 15227

Ms. Caplan 15229

Mr. Dumas 15230

Mr. Stoffer 15231

Mr. MacKay 15231

The division deemed demanded and deferred. 15233

Suspension of Sitting

Ms. Catterall 15233

(The sitting of the House was suspended at 11.46 a.m.) ... 15233

Sitting resumed

The House resumed at 12.00 p.m. 15233

GOVERNMENT ORDERS

Public Sector Pension Investment Board Act

Bill C-78. Third Reading 15233

Mr. Massé 15233

Mr. Williams 15235

Mr. Lowther 15237

Mr. Bachand (Saint-Jean) 15239

Mr. Nystrom 15245

Mr. Nystrom 15246

Mrs. Ablonczy 15247

Mr. Nystrom 15247

Ms. Wasylycia-Leis 15248

Mr. Ianno 15249

Mr. Ianno 15249

Mr. Nystrom 15249

Mr. Ianno 15249

Ms. Wasylycia-Leis 15250

STATEMENTS BY MEMBERS

Agriculture

Mr. Bailey 15250

Public Works

Mr. Wilfert 15250

World Population Day

Ms. Augustine 15250

Emploi-Québec

Mr. St-Julien 15251

Aboriginal Affairs

Mr. Finlay 15251

Missing Children

Mr. Lee 15251

Rail Transportation

Mr. Chrétien (Frontenac—Mégantic) 15251

The Late Owen Hart

Mr. Anders 15252

Conestoga College Awards

Mr. Telegdi 15252

The Late Hugh Hanrahan

Miss Grey 15252

Task Force on Four Western Provinces

Mr. Harvard 15252

Missing Children

Ms. Desjarlais 15253

Quebec Trade Mission to Mexico

Mrs. Debien 15253

Julie Payette

Ms. Bakopanos 15253

Ottawa 67's

Mr. Bélanger 15253

India and Pakistan

Mr. Grewal 15254

Robert Stanley Weir

Mr. Price 15254

Leader of the Bloc Québécois

Ms. Alarie 15254

ORAL QUESTION PERIOD

Canada Development Corporation

Miss Grey 15254

Mr. Chrétien (Saint-Maurice) 15255

Miss Grey 15255

Mr. Martin (LaSalle—Émard) 15255

Miss Grey 15255

Mr. Chrétien (Saint-Maurice) 15255

Mr. Hill (Macleod) 15255

Mr. Martin (LaSalle—Émard) 15255

Mr. Hill (Macleod) 15255

Mr. Manley 15255

Funeral of King Hussein

Mr. Gauthier 15256

Mr. Chrétien (Saint-Maurice) 15256

Mr. Gauthier 15256

Mr. Chrétien (Saint-Maurice) 15256

Mr. Bergeron 15256

Mr. Chrétien (Saint-Maurice) 15256

Mr. Bergeron 15256

Mr. Chrétien (Saint-Maurice) 15256

The Environment

Ms. McDonough 15256

Mr. Chrétien (Saint-Maurice) 15256

Ms. McDonough 15257

Mrs. Stewart (Northumberland) 15257

National Defence

Mr. MacKay 15257

Mr. Eggleton	15257
Mr. MacKay	15257
Mr. Eggleton	15257
Mr. Lunn	15257
Mr. Eggleton	15258
Mr. Lunn	15258
Mr. Eggleton	15258
Tainted Blood	
Mrs. Picard	15258
Mr. Martin (LaSalle—Émard)	15258
Mrs. Picard	15258
Government Grants	
Mr. Strahl	15258
Mr. Pettigrew	15258
Mr. Strahl	15259
Mr. Pettigrew	15259
Tainted Blood	
Mr. Gauthier	15259
Mr. Chrétien (Saint—Maurice)	15259
Mr. Gauthier	15259
Mr. Chrétien (Saint—Maurice)	15259
Government Grants	
Mrs. Ablonczy	15259
Mr. Manley	15259
Mrs. Ablonczy	15259
Mr. Manley	15260
Employment Insurance	
Mr. Crête	15260
Mr. Pettigrew	15260
The Environment	
Mr. Malhi	15260
Mrs. Stewart (Northumberland)	15260
Kosovo	
Mr. Hanger	15260
Mr. Eggleton	15260
Mr. Hanger	15260
Mr. Eggleton	15260
Government Grants	
Mr. Nystrom	15261
Mr. Pettigrew	15261
National Defence	
Mr. Robinson	15261
Mr. Eggleton	15261
Mr. Bachand (Richmond—Arthabaska)	15261
Mr. Eggleton	15261
Mr. Bachand (Richmond—Arthabaska)	15261
Mr. Eggleton	15261
Aboriginal Affairs	
Ms. Minna	15262
Ms. Blondin—Andrew	15262
Taxation	
Mr. Chatters	15262
Mr. Chrétien (Saint—Maurice)	15262
Bill C—77	
Mr. Guimond	15262
Mr. Collenette	15262

Employment Insurance	
Mr. Godin (Acadie—Bathurst)	15262
Mr. Pettigrew	15262
National Defence	
Mrs. Wayne	15263
Mr. Eggleton	15263
Science, Research and Development	
Ms. Whelan	15263
Mr. Duhamel	15263
Taxation	
Mr. Chatters	15263
Mr. Chrétien (Saint—Maurice)	15263
The Environment	
Ms. Girard—Bujold	15263
Mrs. Stewart (Northumberland)	15263

ROUTINE PROCEEDINGS

Government Response to Petitions	
Mr. Adams	15264
Petitions	
Nuclear Weapons	
Mrs. Jennings	15264
Pesticides	
Mrs. Jennings	15264
Nisga'a Treaty	
Mr. Schmidt	15264
Housing in Nunavik	
Mr. St—Julien	15264
Gun Control	
Mr. Riis	15264
Cassini Space Mission	
Mr. White (North Vancouver)	15264
Child Pornography	
Mr. White (North Vancouver)	15264
Immigration	
Ms. Beaumier	15265
Mr. Lee	15265
Goods and Services Tax	
Mr. Harvard	15265
Candu Nuclear Reactor	
Mr. Harvard	15265
Child Pornography	
Mr. Bailey	15265
Canada Post	
Mr. Finlay	15265
Human Rights	
Mr. Szabo	15265
Mr. Adams	15265
Committees of the House	
Justice and Human Rights	
Mr. Maloney	15265
Questions on the Order Paper	
Mr. Adams	15266
Request for Emergency Debate	
Nanoose, British Columbia	
Mr. Lunn	15267
The Speaker	15267
GOVERNMENT ORDERS	
Public Sector Pension Investment Board Act	
Bill C—78. Third reading	15267

Mr. Brison	15267
Ms. Vautour	15270
Mr. Brison	15270
Mr. Epp	15271
Mr. Brison	15271
Mr. Wilfert	15271
Mr. Epp	15272
Mr. Wilfert	15272
Mr. Schmidt	15273
Mr. Wilfert	15273
Mr. Bryden	15273
Mr. Lowther	15274
Mr. Bryden	15275
Mr. Brison	15275
Mr. Bryden	15275
Mr. Grewal	15275
Mr. Ianno	15277
Mr. Grewal	15277
Mr. Casson	15277
Mr. Epp	15279
Mr. Casson	15279
Mr. Ianno	15279
Mr. Casson	15280

PRIVATE MEMBERS' BUSINESS

Young Offenders Act

Motion	15280
Mr. Knutson	15280
(Motion agreed to)	15280

GOVERNMENT ORDERS

Public Sector Pension Investment Board Act

Bill C-78. Third reading	15280
Mr. Myers	15280
Mr. McKay	15282
Mr. Epp	15283
Mr. McKay	15283
Mr. Schmidt	15284
Mr. McKay	15284
Mr. Dumas	15284
Mr. Chrétien (Frontenac—Mégantic)	15285
Mr. Dumas	15285
Ms. Vautour	15285
Mr. Dumas	15286
Mr. Chrétien (Frontenac—Mégantic)	15286

Mr. Bachand (Saint-Jean)	15287
Mr. Chrétien (Frontenac—Mégantic)	15287
Ms. Vautour	15287
Mr. Chrétien (Frontenac—Mégantic)	15288
Mr. Ianno	15288
Mr. Epp	15289
Mr. Ianno	15289
Mr. Williams	15289
Mr. Ianno	15289
Mr. Epp	15289
Mr. Ianno	15290
Mr. Williams	15290
Mr. Gagliano	15291
Mr. Williams	15291
Mr. Godin (Acadie—Bathurst)	15291
Mr. Robinson	15292
The Speaker	15293
Motion agreed to	15294
(Bill read the third time and passed)	15294

PRIVATE MEMBERS' BUSINESS

Young Offenders Act

Bill C-260. Second reading	15294
Mr. Stoffer	15294
Ms. Vautour	15294
Motion agreed to	15295
(Bill read the second time and referred to a committee) ...	15295

Legalization of marijuana for health and medical purposes

Amendment to the amendment negatived	15297
Mrs. Ablonczy	15297
Amendment carried	15298
Mr. Solberg	15298
Mr. Ianno	15298
Motion, as amended, agreed to	15299

ADJOURNMENT PROCEEDINGS

National Defence

Mr. Earle	15299
Mr. Bertrand	15299

Fisheries and Oceans

Mr. Stoffer	15300
Mr. Easter	15300

Nav Canada

Mr. Casey	15301
Mr. Dromisky	15301

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