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OFFICIAL REPORT
(HANSARD)

Tuesday, May 11, 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 11, 1999

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1005)

[*Translation*]

ORDER IN COUNCIL APPOINTMENTS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am pleased to table, in both official languages, a number of order in council appointments which were recently made by the government.

Pursuant to the provisions of Standing Order 110(1), these are deemed referred to the appropriate standing committees, a list of which is attached.

* * *

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 three petitions.

* * *

[*English*]

PETITIONS

IMPAIRED DRIVING

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I rise to present a petition on behalf of the citizens of the greater Peterborough area who are concerned about drinking and driving. The petitioners point out that an average of 4.5 Canadians are killed and

125 Canadians seriously injured every day as a result of alcohol related vehicular crashes.

The petitioners pray that parliament immediately amend the Criminal Code to streamline the judicial process and to provide sanctions that better reflect the seriousness of the crime and to commit to formal reviews of impaired driving legislation to determine the efficacy of the law in reducing drinking and driving and the deaths, injuries and social costs that it generates.

MARRIAGE

Mr. Tom Wappel (Scarborough Southwest, Lib.): Mr. Speaker, I have three petitions from various areas. The first petition is from the Toronto-Mississauga area. The second petition is primarily from Lethbridge, Alberta. The third petition is from Scarborough and other areas, including Calgary. All of the petitions deal with Bill C-225, an act to amend the Marriage Act (Prohibited Degrees) and the Interpretation Act so as to define in statute that a marriage can only be entered into between a single male and a single female.

The petitioners pray that parliament adopt this law.

IMMIGRATION

Mr. Tony Valeri (Stoney Creek, Lib.): Mr. Speaker, I have a petition signed by my constituents of Stoney Creek who call upon parliament to ask the Department of Citizenship and Immigration to review existing income requirements so that potential sponsors will not be unduly burdened by them. The petitioners request that more than one person be allowed to sponsor the same individual and share the responsibility for financial support of the immigrant.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, Question No. 215 will be answered today.

[*Text*]

Question No. 215—**Mr. John Duncan:**

For the fiscal year ending March 31, 1998, what is the breakdown by line item and business line of all expenditures comprised in the amount of \$6.5 million under vote 10 in the Natural Resources Canada's performance report "Promoting Canada's International Interests" for all categories, which would include any estimates of travel, operating and capital expenses, grants and contributions, salaries or benefits?

*Government Orders***Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.):**

Natural Resources Canada's Performance Report

Business line: Promoting Canada's International Interests

Operating costs (Vote 1)

Transportation and Telecommunications		
Travel	\$801,210	
Other	168,707	
Sub-Total		\$969,917
Information		104,448
Professional & Special Services		563,750
Rentals		74,080
Purchased Repair & Maintenance		59,175
Utilities, Materials, Supplies		184,355
Other expenditures		8,543
Sub-total		\$1,964,268
Capital costs (Vote 5)		220,806
Personal costs (Vote 1)		4,312,248
Grants and contributions (Vote 10)		121,173
Total Gross Expenditures		\$6,618,495
Less: Revenues credited to the vote		- 91,365
Total Net Expenditures		\$6,527,130

[Translation]

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

• (1010)

[Translation]

PUBLIC SECTOR PENSION INVESTMENT BOARD ACT

The House proceeded to the consideration 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, as reported (with amendments) from the committee.

SPEAKER'S RULING

The Deputy Speaker: There are 54 motions in amendment in the Notice Paper concerning the report stage of Bill C-78.

[English]

The motions will be grouped for debate as follows.

[Translation]

Group No. 1, Motions Nos. 1 to 14, 31, 32, 40 and 48.

[English]

Group No. 2, Motions Nos. 15, 17 to 30.

Group No. 3, Motions Nos. 16, 38, 39, 46, 47 and 54.

[Translation]

Group No. 4, Motions Nos. 33 to 37, 41 to 45, 49 to 53.

[English]

The voting patterns for the motions within each group are available at the table. The Chair will remind the House of each pattern at the time of voting.

[Translation]

I will now put Motions Nos. 1 to 14, 31, 32, 40 and 48 to the House.

MOTIONS IN AMENDMENT

Mr. Claude Bachand (Saint-Jean, BQ) moved:

Motion No. 1

That Bill C-78, in Clause 5, be amended by replacing lines 9 to 13 on page 4 with the following:

“(4) Where the Minister proposes to make changes to pension plan design or funding with respect to a pension plan created under an Act referred to in paragraph 4(1)(a), the Minister shall consult the Pension Management Board established by the Act that created the plan.

Mr. Pat Martin (Winnipeg Centre, NDP) moved:

Motion No. 2

That Bill C-78, in Clause 7, be amended by replacing line 17 on page 5 with the following:

“and ethical investment policies, standards and proce-”

Motion No. 3

That Bill C-78, in Clause 7, be amended by replacing line 18 on page 5 with the following:

“dures for each fund that the Board manages with specific instructions that the fund shall not invest in any industry that is or may be associated with

(i) pollution or environmental degradation,

(ii) labour standards and practices which are inferior to those required by law in this country,

(iii) any practice or activity that may result in the elimination or contracting-out of the jobs of members of the plan, or

(iv) any aspect of the sale, manufacture, or promotion of tobacco or tobacco products.”

Mr. John Williams (St. Albert, Ref.) moved:

Motion No. 4

That Bill C-78, in Clause 7, be amended by adding after line 18 on page 5 the following:

Government Orders

“(a.1) establish contact with the actuary or actuaries of each fund that the Board manages and maintain that contact on an on-going basis;”

Mr. Claude Bachand (Saint-Jean, BQ) moved:

Motion No. 5

That Bill C-78, in Clause 10, be amended by replacing lines 20 and 21 on page 7 with the following:

“datations from Board established by subsection 41(1) of the Public Service”

Motion No. 6

That Bill C-78, in Clause 10, be amended by replacing lines 20 and 21 on page 7 with the following:

“received recommendations from the Board established by subsection 49.1(1)”

Motion No. 7

That Bill C-78, in Clause 10, be amended by replacing lines 26 and 27 on page 7 with the following:

“received recommendations from the Board established by subsection 25.1(1)”

Mr. John Williams (St. Albert, Ref.) moved:

Motion No. 8

That Bill C-78, in Clause 10, be amended by adding after line 29 on page 7 the following:

“(1.1) A copy of the appointment of a chairperson by the Minister under paragraph (1)(a) shall be laid before each House of Parliament on any of the next 15 days during which that House is sitting.”

Mr. Pat Martin (Winnipeg Centre, NDP) moved:

Motion No. 9

That Bill C-78 be amended by adding after line 9 on page 15 the following new clause:

“27.1 The Auditor General of Canada shall be the primary auditor of the Public Sector Pension Investment Board.”

Motion No. 10

That Bill C-78, in Clause 28, be amended by replacing line 10 on page 15 with the following:

“28. The audit committee shall be responsible for presenting all records of all financial activity of the Public Sector Pension Investment Board to the Auditor General on an annual basis. In addition, the audit committee shall”

• (1015)

Mr. John Williams (St. Albert, Ref.) moved:

Motion No. 11

That Bill C-78, in Clause 31, be amended by adding after line 25 on page 16 the following:

“(a.1) establish contact with the actuary or actuaries of each fund that the Board manages and maintain that contact on an on-going basis;”

Mr. Pat Martin (Winnipeg Centre, NDP) moved:

Motion No. 12

That Bill C-78, in Clause 32, be amended by replacing line 3 on page 17 with the following:

“subsidiaries shall adhere to, ethical investment poli-”

Motion No. 13

That Bill C-78, in Clause 36, be amended by replacing line 2 on page 19 with the following:

“auditor’s report to be prepared and presented to the Auditor General of Canada, in respect of”

Mr. Claude Bachand (Saint-Jean, BQ) moved:

Motion No. 14

That Bill C-78, in Clause 49, be amended by replacing lines 30 to 34 on page 26 with the following:

“the members of the three Boards established respectively under subsection 49.1(1) of the Canadian Forces Superannuation Act, subsection 41(1) of the Public Service Superannuation Act and subsection 25.1(1) of the Royal”

Mr. Claude Bachand (Saint-Jean, BQ) moved:

Motion No. 31

That Bill C-78, in Clause 90, be amended

(a) by replacing lines 1 to 16 on page 69 with the following:

“41. (1) There is established a Board to be known as the Public Service Pension Management Board.

(2) Despite any other provision in this Act, the Board established by subsection (1) shall be responsible for designing the pension plan to which this Act applies, its funding, managing the plan’s surplus or deficit, administering the plan and ensuring that the plan’s funding level is adequate to deliver pension benefits.”

(b) by replacing line 17 on page 69 with the following:

“(3) The membership of the Board established by subsection (1) shall”

(c) by replacing line 36 on page 69 with the following:

“(5) The Board established by subsection (1) shall recom-”

Mr. John Williams (St. Albert, Ref.) moved:

Motion No. 32

That Bill C-78, in Clause 90, be amended by adding after line 31 on page 69 the following:

“(3.1) a copy of every appointment made by the Governor in Council in accordance with paragraph (3)(a) or (c) shall be laid before each House of Parliament on any of the next 15 days during which that House is sitting.”

Mr. Claude Bachand (Saint-Jean, BQ) moved:

Motion No. 40

That Bill C-78, in Clause 145, be amended

(a) by replacing lines 38 to 45 on page 123 and lines 1 to 8 on page 124 with the following:

“49.1 (1) The Minister shall establish a Board to be known as the Canadian Forces Pension Management Board, the members of which are appointed by the Minister in accordance with subsection (2).

(1.1) Despite any other provision in this Act, the Board established by subsection (1) shall be responsible for designing the pension plan to which this Act applies, its funding, managing the plan’s surplus or deficit, administering the plan and ensuring that the plan’s funding level is adequate to deliver pension benefits.”

Government Orders

(b) by replacing line 9 on page 124 with the following:

“(2) The membership of the Board established by subsection (1) shall”

(c) by replacing, in the English version, line 43 on page 124 with the following:

“(3) A member of the Board established by subsection (1) shall be”

(d) by replacing line 1 on page 125 with the following:

“(3.1) The Board established by subsection (1) shall recom-”

Mr. Claude Bachand (Saint-Jean, BQ) moved:

Motion No. 48

That Bill C-78, in Clause 192, be amended

(a) by replacing lines 23 to 38 on page 173 with the following:

“25.1 (1) The Minister shall establish a Board to be known as the Royal Canadian Mounted Police Pension Management Board, the members of which are appointed by the Minister in accordance with subsection (2).

(1.1) The Board established by subsection (1) shall be responsible for designing the pension plan to which this Act applies, its funding, managing the plan's surplus or deficit, administering the plan and ensuring the plan's funding level is adequate to deliver pension benefits.”

(b) by replacing line 39 on page 173 with the following:

“(2) The membership of the Board established by subsection (1) shall”

(c) by replacing, in the English version, line 14 on page 174 with the following:

“(3) A member of the Board established by subsection (1) shall be”

(d) by replacing line 19 on page 174 with the following:

“(3.1) The Board established by subsection (1) shall recom-”

● (1020)

[English]

Mr. John Williams: Mr. Speaker, I am glad to be able to spend a little time debating Bill C-78 and I have to emphasize a little time.

The bill was introduced at first reading in the House on Thursday, April 22. The following week, on April 27, it came up for second reading and the government immediately introduced closure. Before we knew it, second reading was over and done with, out of the House and off to committee before we had any time to debate the bill in detail.

Last week the bill was in committee. We had witnesses on Monday, Tuesday and Wednesday. By Thursday morning, the bill was in committee for clause by clause. This happens to be a 200-page bill, 200 pages of complex technical points. It deals with \$100 billion. It is the livelihood of the retirees of the civil service.

It is a bill that calls for the privatization of \$100 billion of government debt over a number of years.

One would have thought that the bill would have merited some serious attention by members of parliament even if only for the fact that the pension of members of parliament happens to be part of the bill.

Last week we had witnesses on Monday, Tuesday and Wednesday and that was all the government members were prepared to allow to come before the committee. Although I suggested other organizations and people who would have an interest in speaking to the bill, the government said that it did not want to hear about it, that it wanted to get on with it.

Last Thursday morning, the bill was in committee for clause by clause. I have not added up how many clauses there are in a 200-page bill because they were not consecutively numbered and there were a large number of amendments. However, suffice it to say there were several hundred clauses and we were there to deal with clause by clause. If I had not been in committee last week, the committee would have dealt with all 200 pages of clauses in 10 minutes or even less if it had the opportunity.

● (1025)

I tried to have debate in committee but, while I could raise the issues I wanted to, I was severely limited in my capacity to debate the issue because of the constraints imposed upon me by the committee.

I raise it in debate this morning because they told me I could appeal to the Speaker of the House if I was not satisfied. However, members know very well that any time an incident in committee is appealed to the House, the Speaker rules that the committees are the masters of their own house and thus we cannot appeal to the Speaker.

Before I get into talking about the motions this morning, I would like to put on the record that I put up a valiant attempt to have the whole bill debated in detail in committee rather than consuming a huge amount of time in the House by people who are not interested in the particular bill. There are some members who do have a serious interest in the bill and I happen to be one of them. If we could have dealt with that in committee it would have saved the boredom for those in the House who are not interested in it.

I understand it is not improbable that now that it is back in the House the government may decide that it does not want to talk about the bill for very long and debate may be closed off once more. We will have to wait to see how events unfold, but I would not be surprised if the government feels that another two or three hours of debate on this 200-page bill, \$100 billion in assets and directly affecting 700,000 Canadians, requires no significant debate in the House at all.

Government Orders

I have the transcript from the committee meeting. I will read just a couple of things in order to give the House an indication of what actually went on in committee. On page 13 of the transcript I said:

There is no limit on my time, Mr. Chairman, I'm not aware. Can you tell me where I'm limited on my time?

This was when it was severely curtailing what I felt was my privilege to speak in committee. The chairman replied:

It certainly is at the discretion of the chair to allow a reasonable amount of time for debate and discussion of clauses. And when at such time the question is called, and I will seek some degree of leniency from my colleagues to call a question, after an appropriate amount time, at which time I'll use my best judgment to wind up the questions and call the question.

I might have been talking at that time about 20 or 30 clauses that had been lumped into one debate and I was limited to two minutes. How could I intelligently talk about that amount of clauses in two minutes and do it justice, do my constituents justice and do justice for the people who are concerned about the bill. It was an absolute impossibility.

I will now refer to some comments by the member for Humber—St. Barbe—Baie Verte in Newfoundland. As he was interrupting my speech, he said:

It appears that we're getting into very... discussion here about... we have a very specific task at hand. It's to pass this bill, with or without amendments.

I thought we were there to discuss the bill not to pass the bill. That was definitely the attitude of my colleagues on the government side because later on, on the same page, I am quoted as saying:

...Mr. Chairman, and you're again denying the right to speak to individual issues because of members calling the question.

As soon as any member of the government called the question, meaning calling for the vote, it meant the end of debate. As soon as I started to speak someone would call for the question and that was the end of the debate in committee. It was an affront to the democratic process in the House. No one was prepared to enter into serious debate or analysis, or checking the bill to see that it was appropriate.

● (1030)

I will mention another comment that I made in committee. I said:

Mr. Chairman, you know, they're rather testy around the table this morning, and I would have thought that since there was very little time to debate in the House we would have had more opportunity to debate in committee.

On it went. They shut me down at every opportunity. There is page after page of attempts by me to raise specific issues on the bill, to debate amendments I had tabled regarding the bill, and to improve the governance of \$100 billion of assets.

I recommended at one time that the auditor general be the auditor who would be required to do the special audits which the bill calls for because he has expertise in that area. He has perhaps the best expertise and is the most qualified person in the country.

I would have thought for a \$100 billion pool of capital that we would have wanted the best in the country to do the special evaluations and assessments. Unfortunately there was no opportunity. Government members were not the slightest bit interested in hearing, debating, discussing or suggesting any improvements to the bill whatsoever.

Three minute changes were proposed by the government. I think one word was changed. The word "and" was deleted and the word "or" was inserted, or vice versa.

Government members recognized at second reading of the bill that they had made some mistakes in drafting it. They were not interested in talking about substantive change. They were not even talking about analysing for minute change. They strictly wanted to pass the bill, and if there were mistakes in the complexity they would fix it up later on, a travesty that I wanted on the record.

[*Translation*]

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, it is a rather sad day today, as we are discussing Bill C-78.

The government is picking on people who already are not well off. I have looked at the statistics a bit and I found that retired public servants are currently getting about \$9,000 a year.

Obviously, the funds have accumulated some surpluses. Yet, instead of trying to improve the annual income of its retirees, or lowering the contributions made by today's workers, this government is drooling at the prospect of other surpluses and is dying to get its hands on them.

I got into politics in order to do my bit for justice, and I feel obliged to speak to this bill because I see it as totally unfair.

I will start with how the government has managed public funds since the Liberals came into power in 1993, because of what is going on now. The government is patting itself on the back for having succeeded in reducing the deficit, started paying down the debt, everything is great. But we need to have a look at how this was accomplished, how the government and the Minister of Finance in particular handle the public finances.

First, they began by cutting transfer payments to the provinces. The government had some responsibilities toward them. And what did the current government do in the first years it was in power? It announced: "We are going to transfer less money", which means that it kept more for itself.

Government Orders

The second thing it addressed was another surplus, the one in the employment insurance fund, an annual surplus of \$6 billion to \$7 billion, and an accumulated surplus of \$20 billion to \$25 billion. The government siphoned off the money in this fund at the expense of the workers. It then congratulated itself "See how well we are running things".

Meanwhile, the provinces and the jobless are paying for it. They are the ones who bore the brunt of paying down the deficit. They are the ones whose contributions or cuts in benefits are being applied to paying down Canada's debt.

• (1035)

Pay equity is also involved. During those years, the government unfairly paid women working in the federal public service. These are the women who paid off the deficit. They are paying off the debt.

Let us now take a look at the pillage in the employee pension fund, because that is what we can call it, we are not talking about peanuts here. We are talking about \$14.9 billion for the public service. A lot of these people work in my riding. There are some 200 or 300 who work in the federal public service at the Saint-Jean military base.

The RCMP will be sacrificing \$2.4 billion and the Canadian armed forces, \$12.9, for a total of \$30.2 billion.

What we are seeing today with Bill C-78 amounts to pillaging this fund. It recalls for me unfortunate examples from the past.

This morning, as I prepared my speech, I thought of Robert Maxwell, the famous British media magnate, who travelled the oceans of the world on his huge 60 foot boat. He was one of the first to take money from pensions of his own workers.

I see the President of the Treasury Board travelling about on his own *Titanic*. I would remind him that the *Titanic*'s owners, in their arrogance and invincibility, claimed it was unsinkable. I remind the President of the Treasury Board and the members of the government, especially, of that fact and tell them that it is not too late to drop their arrogance and their thoughts of invincibility.

There will be no problem if they consider the amendments the Bloc Quebecois is proposing today, but I know that the members of the government tend to say "This is the way we are going, and you will follow us. We will let you have a few debates in the House. When it no longer suits us, and it has gone on long enough, we will call for closure".

I appeal to government members and to the President of the Treasury Board to look at the amendments the Bloc is proposing

and, for once, to drop their arrogance and their thoughts of invincibility in this House.

I consider it disdain by the majority, when it goes ahead totally oblivious of the opposition. We do represent the people of Canada and Quebec. The government should listen to the opposition a little more and make certain amendments to bills instead of heading off, visor lowered, saying "You will follow us. If you are not happy, we will use closure".

I call on hon. members to look at the amendments moved by the Bloc Quebecois to avoid penalizing public service retirees, who currently have an annual income of about \$9,000.

Let us also not forget what the President of the Treasury Board did about this issue. In 1996, an advisory committee was set up and the minister said "Make recommendations to me and we will see what we can do". In 1998, the President of the Treasury Board said in a press release "The consultations may lead to a partnership that could result in the establishment of a management board in the public service that would be independent of the government".

In actual fact, the first group of amendments moved by the Bloc Quebecois seek to create a management board that would deal at arm's length with the government. However, we forgot to take into account someone who may be the future leader of the Liberal Party. We forgot to take into account the Minister of Finance who, in managing the public purse, probably said to the President of the Treasury Board "My dear friend, we will look at the \$30 billion surplus and we will try to get our hands on it".

This is just as I said earlier: cuts in the transfers to the provinces and siphoning off of money from the employment insurance fund, which belongs to the unemployed. The Minister of Finance has a big say in all this, because he is the one holding the purse strings. Workers must not forget that he is probably behind this bill, even though it was introduced by his colleague, the President of the Treasury Board.

One also wonders about the signal that is being sent to private businesses. Earlier, I alluded to Mr. Maxwell who is travelling all over the world on his big boat, with his employees' pension fund.

• (1040)

A bill like this one will send signals if it is passed. I would propose the most striking example from my riding, that of the pillage of the fund of the former employees of the Singer company. For a number of years, the Bloc Quebecois has been trying to get through to the government and remind it of its fiduciary responsibility for this fund.

The answer we get is "No, there is no problem. No, we have no commitment in that. We were not the watchdog, settle your own

problems". We might well wonder whether these responses were conditioned by the government's intention to introduce the bill before us today.

How would it have looked if the government had told the Singer Company or if its representatives had told themselves, as those responsible for the fund, "That is right, we have a share in the responsibility. We should not have allowed the company to pillage the Singer employees' pension fund"? This however was not the government's intention. It could see the surplus that was accumulating.

It was beginning to realize that it had to take the surplus, that it acknowledged its responsibilities toward the people at Singer, it would have to give up the surplus and ensure that it went to retired workers. We can see all the intentions of this government.

In the case of other companies as well, we have often been told by the Minister of Human Resources Development, who is responsible for the matter "There are other companies, so we cannot follow up on your request".

This is a terrible example for private employers to follow now. They will be able to do as the government does and let workers down.

The dictatorship of the majority must stop. It is time to stop treating employees with disdain. The government has an opportunity today to set its arrogance aside. It could also set aside its great superiority and invincibility complex aside and listen to what the opposition parties have to say, include it in the bill and amend the bill to give us something potable in the future. This is not just for those now retired, but also for those who will be retiring from the public service.

The government must assume its responsibility. If the government does not do that, the Bloc Quebecois will naturally oppose Bill C-78.

[English]

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I sense this will be the last opportunity I will have to talk to Bill C-78 or any amendments to it. Even though four groups of amendments were taken from the many that were put forward, we have reason to believe that some time during the day today the government will again move closure on debate and shut down the opportunity for us to talk to the 30, 40 or 50 amendments which really need to be debated. It is a pattern that has developed right from day one of the debate on Bill C-78. We have every reason to believe, given the history and the pattern, that it will happen again today.

I will take this opportunity to say a few words in the short period of time I have on some of the many amendments which our party

Government Orders

put forward to try to clean up what we feel is a very flawed bill. I am tempted to say it is a flawed bill, but it is not a flawed bill. In a way it is a masterful piece of work. It is a true piece of art in the way it was put together so the government could achieve what it set out to achieve. It will take the \$30 billion surplus from retirees, pensioners and beneficiaries of the pension plans and use it for whatever purposes it sees fit.

I want to condemn the government in the strongest possible language I am allowed to use. Unfortunately I am limited in what things I can say about the bill. There are many things I could say about it. I cannot use the word theft. I do not intend to try the Speaker's patience by using the word theft, stealing, highway robbery or any of the other words that come to mind. I will not say those things because I know I am not supposed to do so.

I guess I would have to ask the Chair if I could use the word excrement. Is the word excrement allowed in the House of Commons? That is one word which certainly comes to mind. I do not believe it is in the book. If members worked in a circus and it was their job to follow the elephants in a parade, the stuff they would be sweeping up would pretty well typify or exemplify what we are dealing with today. The word travesty was used earlier and I am not going to repeat it over and over again.

• (1045)

There are not many Liberals here today to listen to these final words of debate on Bill C-78. I do not blame them for not being here, although I have some admiration for the Liberals who hang around to listen to this kind of thing. It must be hard not to get jaded about the whole political and parliamentary process when Liberal backbenchers are used as nothing more than a focus group for cabinet when it wants to ram something through.

It is going to be those members sitting here today listening to this who will have to go back to their ridings to justify, defend and explain that the senior citizens are going to have their pockets picked to the tune of \$30 billion. I admire those who have the courage to come here and face the music. I wish them well when they go back to their ridings.

Opposition to this bill is building up steam as we speak. Right across the country seniors are rallying. They are getting together to study this bill, and it takes a long time to digest a bill of this size.

That is exactly what the government is trying to avoid because it saw what happened when it tried to tamper with the OAS and the GIS and when it tried to create the new seniors benefit. That committee toured the country and seniors had a chance to look at it in some detail. Seniors had a chance to mobilize, to voice their opinions and to tell the government that they did not want a new seniors benefit which actually resulted in less benefit for them.

Government Orders

They did not want the GIS and the OAS to be merged into one so-called seniors benefit. That is exactly what is happening with this bill. The government has to stop it in its tracks because there is too much opposition right across the country.

The largest single group of beneficiaries, the federal superannuates national association, had 12 hours to prepare. Representatives were called the night before to make a presentation to the committee the next morning. They complained vigorously that they did not have a chance to prepare a proper presentation. They did not even have a chance to read the 200 pages of text that makes up Bill C-78. Seniors now, because they pay attention to the news and read the papers, are a very well informed group of voters and they are catching on in large numbers.

Like every good son, I had brunch with my mother on Sunday. She collects a pension through the public service pension plan. It was a very nice brunch. She collects the survivor's benefit because my father worked in the public sector all of his life and she survives on the meagre survivor's benefit that she gets. She lives in the same little wartime house at 998 Warsaw that I grew up in. Betty Martin, who is 82 years old and lives in Winnipeg, asked me at brunch, unprompted I might add, "Are they going to take away my pension?"

I had to answer, to be fair, that nothing was going to happen to the pension she is currently collecting. However, I told her that the \$30 billion surplus would be taken out of the fund. Her question was "Is that not part of our pension?" That is an innocent question which came right out of the blue. An 82 year old woman saw immediately what was happening. Without reading the text she knew that it was fundamentally wrong to take \$30 billion out of the pension fund which could have gone to improve the benefits of pensioners and retirees.

This whole thing got off to a bad start because of one statement made by the chief human resources officer of the Treasury Board Secretariat in June 1998. I will quote Mr. Alain Jolicoeur because I want to get this right. He made one statement that started the ball rolling on this whole atrocity. He said "Employees and retirees have no proprietary interest to the surplus in the superannuation plan". He defied all conventional wisdom on employee benefit plans by saying "The surplus is not yours. You get your benefits, but the surplus is not yours".

It is a basic tenet of anybody who is involved with employee benefit plans that any surplus is deferred wages. It is part of the pay package. It is money being held in trust to improve the benefits of the beneficiaries of the plan. That is where we got off to a bad start.

The President of the Treasury Board made it worse when he came out publicly and said even more strongly "There is no chance in hell that the union can claim a \$30 billion surplus".

• (1050)

First of all, he is wrong. It is not the union that is trying to claim the money. None of that money would go to the union. The union is arguing that it should go to the beneficiaries. His quote was "They do not have a chance in hell of getting their hands on it". The government had made up its mind in a cold and callous way. It had targeted that money and then it set about taking very logical steps to take it.

This is a pattern we have seen before. The government took \$25 billion from the EI surplus, which was taken from the most vulnerable people in society, the unemployed. Now it is taking money away from arguably the next most vulnerable bunch of people in society, the retirees, senior citizens, pensioners, beneficiaries of the pension plan, many of whom live in poverty.

We should not let anybody tell us that this is some kind of Cadillac pension we are dealing with. A disproportionate number of retirees are female. The average woman, with 20 years of service in the federal public service, is receiving a pension of approximately \$9,000 a year. This is not a Cadillac pension. Nobody is living in luxury as a result of it.

If that \$30 billion were divided up among the beneficiaries it would result in about \$30,000 per beneficiary. Spread out over the period of their retirement it might mean \$2,000 or \$3,000 a year per beneficiary. Again, \$9,000 to \$11,000 or \$12,000 is not a huge amount of dough.

I will not get a chance to speak to many of the motions which I put forward, but obviously we have put forward amendments to this bill that would take away the enabling language that was cleverly put in to allow the government to take not only this \$30 billion surplus, but all other surpluses; all future surpluses which will be invested by the public sector pension investment board.

At the very least, one of the amendments that we put forward dealt with that board and the pension investment policies that it might be bound to or that might be stipulated. The legislation is really silent on that. The only goal would be to produce the maximum profit. Obviously that has to be the first goal of any trustees of a pension plan.

We would argue that there should be some ethical investment policies as well. For instance, the government should not invest in any company that might be engaged in a service that is contracted out which would cost public service members their jobs. What if it were a janitorial company that was bidding on a contract to clean the House of Commons? The people who traditionally do those jobs would be laid off and replaced with people from a company in which their pension plan is invested. That would be fundamentally wrong. I think the beneficiaries would want to speak out against

that. They will not get a chance to speak out against it now. That is just one example of how many things need to be discussed and we will not get a chance to discuss them. It is deplorable. It is excrement.

Mr. Gerry Byrne (Parliamentary Secretary to Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, I thank hon. members for participating in the debate. The answer to the question the hon. member asked is, I would assume, based on the fact that the Speaker did not provide a ruling, that excrement is indeed a word that is applicable and usable in the House. However, I would simply ask that hon. members present who are participating in this debate not use bathroom humour, however playful or however humorous it may seem at the time. This is a very serious piece of legislation and I would like to elevate the debate to make sure that we continue to focus on the issues at hand. Hon. members, I am sure, would like to engage in a bit of playful conversation during the course of the debate, but I think that our responsibility and what we are charged to do here is to stick to the issues at hand, the specifics of this legislation and the needs of our respective constituents.

Hon. members opposite have raised the issue that certain pensions should be based not on the contributions or the formula that the pension plan was based on, but that consideration should be given for lower income pensioners or lower pension levels and that those levels should indeed be topped up. I understand the merit and general detail of that particular proposal. I think it is a very kindhearted idea. In my own personal view it has some merit.

Basically, those who contribute to the pension plan are all public servants. They really want and need the pension plan to be devised and to be implemented on a formula based approach which is accountable and fair so they will know exactly where their money is going as they contribute. That is the way the policyholders themselves would like the pension plan to be administered. I ask hon. members opposite to bear that in mind.

• (1055)

One final point is that there was some reference made by a member of the Reform Party, who I understand is also chairman of the public accounts committee, who attended the committee hearings on natural resources and government operations which reviewed this particular legislation at second reading. A point has to be made. When the committee was considering this particular piece of legislation what it was faced and charged with, in part, was to look at specific amendments; in other words, specific ideas that the opposition had as to how it would change the legislation.

There were very few amendments put forward by the opposition. As a procedural matter the amendments were grouped in various sections. We debated the amendments in those sections, which

Government Orders

proved to be a very efficient and effective way of dealing with the legislation.

The point that has to be made is that debate in committee has to be based on specific ideas that have been brought forward by any member of the committee. We as government House members and government committee members did indeed put forward specific proposals for change to the legislation. We debated those and in some measure we got them through in committee. Very few amendments were put forward by the opposition to this particular legislation. Therefore, that in itself was a limitation on debate. The issue at that point in time became whether the legislation as it was currently drafted by the government would indeed be passed at the committee stage.

That is a point in which I think members of the House would be interested. Many of the people who spoke here this morning were not in attendance at committee where much of the work of the House is conducted from the point of view of reviewing legislation, reviewing different amendments and talking about the general issues surrounding the legislation.

I am pleased that members opposite have now joined the debate at this stage. It would have been very helpful if they had joined the debate at the committee stage, but that is their choice. Now we have a chance to renew the debate. We have to maintain a focus on very specific issues. I say to members opposite that we should try to not get involved in too much bathroom humour. It is too serious a piece of legislation to do that and I think that members of the pension plan and members of the general public expect a bit more dignity and decorum in the House.

I would like to thank the House for its indulgence and I would like to proceed with this very useful debate.

Mr. Scott Brison (Kings—Hants, PC): Madam Speaker, it is with a degree of sadness that I rise today to speak to Bill C-78. I believe that many members of the House, including members on the government side, share this sense of remorse for the process in which we are participating. We feel very badly that we are participating in what effectively, and let us be candid about it, is a parliamentary charade. Canadians can watch this on CPAC. Somehow, in some way, the government is trying to demonstrate that there is legitimate parliamentary debate on important public policy issues, in this case Bill C-78, which is a 200 page bill, a complicated piece of legislation which affects all Canadian public servants and entails remarkable changes, sweeping changes, relative to \$100 billion ultimately.

Canadians may, in watching this, actually believe that there has been legitimate debate. I would like to inform Canadians who may be watching that there has not been legitimate debate. The government has railroaded this through parliament, through the committee process, through the House and has utilized closure again. The government has, at an unprecedented rate, used the instrument of

Government Orders

closure to railroad legislation through parliament. It has not allowed the committee to effectively study this important piece of legislation.

• (1100)

The government claims that the main purpose of the legislation is to improve the financial management of the financial sector pension funds and the superannuate funds of the federal public servants, RCMP and military. Keep in mind that the average annual pension for these individuals is around \$9,000 per year. These are not fat cats we are talking about. They are very average Canadians.

We should be sceptical whenever the government claims to have the interest of public servants at heart, particularly if we look at the record of the government on public servants. Sunday's *Ottawa Citizen* said that the Treasury Board president "has clobbered public servants harder than any cabinet minister in Canada's history".

The politics of attacking public servants is similar to the politics of attacking politicians. It is very easy to attack a group that may not be particularly popular with the public because of misperceptions, or to make gratuitous attacks on the banking sector which the government has been willing to do.

It is very cynical that the government would use in a political sense any tool it has to attack groups that may not be incredibly popular but are groups that have legitimate causes and claims. For the government to play a very dangerous and cynical political game of pitting one group of Canadians against another simply for political expediency and political palatability is atrocious.

The government has eliminated 55,000 federal jobs, has frozen wages, has eliminated job security from the public service and has appealed the pay equity ruling in opposition to Liberal Party policy. I think it was a red book promise. It is a government that continues to use heavy-handed back to work legislation and suspends binding arbitration. This is the same Liberal Party that under the leadership of Lester Pearson introduced collective bargaining to the public service 30 years ago.

The current government leaders and the Prime Minister are being the patron saints of hypocrisy in backtracking on every major tenet of not just Liberal policy, but also of the fundamentals of fairness we value as Canadians.

It is the government that introduced back to work legislation to end a strike of 14,000 blue collar workers. Again, these are not high income workers within the public service. The government maintained the policy of regional rates of pay and a ghettoization of public servants. It introduced the back to work legislation without proper debate and sought closure.

The President of the Treasury Board reached a tentative agreement with the public servants and withheld that information from parliament before a crucial vote. That night he snookered the Reform Party. Unwittingly the Reform Party supported the back to work legislation because the government had pitted the interests of one group against another, in this case the grain farmers and the grain industry in the west against the interests of blue collar public servants.

Again that was cynical. It was an abuse of the parliamentary process and an abuse of members of parliament that should not only offend the Reform Party members, and I am sure it does, but it should also offend members of parliament on the government side of the House who watched that night and who participated in the vote without the proper information.

The level of morale in the public service is at an all-time low. While Canadian corporations are pursuing innovative labour-management and human resources management policies, the government is continuing to attack the public service and ignore the fact that the public sector represents 40% of the Canadian economy.

• (1105)

I see some hon. members present who serve on the finance committee with me. We are studying the issue of productivity. When 40% of our economy is public sector and the government has created a level of morale that has never been lower within the public service, I would argue that we have a productivity issue within our public service. This government through its continued gratuitous attacks on the public service has had a significant deleterious effect on the morale and the productivity of the federal public service. It has impacted the growth and future prosperity of Canadians in doing so.

The only group this government has demonstrated more contempt for besides public servants is members of parliament in this House. The government is persistent in its propensity to use closure and to railroad legislation through committees and through this House without legitimate and important public policy debate. Committees are being operated as branch plants of the ministers' offices. Government members are told to pass bills but not really discuss them. There is no objective, constructive development of public policy as there should be and at a time when public policy and the challenges facing us are very complex.

There has been a secular decline in the role of the MP which has occurred over a 30 year period. This decline has occurred at a precipitous level under this government.

With this legislation the government is failing to follow its own guidelines set out in S-3, the pension benefits standards act for the private sector. It sets out guidelines for the private sector and for private sector employers which the government itself is unwilling

Government Orders

to use. Why is it doing that? Because it wants to get its hands on that \$30 billion surplus.

The government would tell Canadians that that money is being applied to the debt. Keep in mind, in some ways it is a theoretical number; it is just a paper shift. The fact is that the government has not done anything to better Canadians by taking that from one group and putting it against the national debt.

The government has done something it believes to benefit itself politically. Come the next election the government will claim credit and say that it reduced the debt by the figure of \$30 billion when it has not. Public servants through their pensions and their sacrifices, work and contributions over the years have provided the ability for the government to have that surplus and the government is taking that in a very cynical way.

I have said cynical several times. I feel very cynical today to be participating in this process where the government is again pitting the Canadian public against the public service, creating more division in a country that needs more unity. We should be working particularly in a post-deficit and a surplus environment to rebuild our relationships as parliamentarians and as government with the public service.

The Federal Superannuates National Association, the FSNA, has done a very good job on this, as have other organizations. The federal superannuates were effective in their lobby against the seniors benefit package which through clawbacks would have reduced pension benefits for seniors.

This government is not focused on creating better prosperity for Canadians. This government is focused solely on the next election and not on the next century. This treatment of parliament and of public servants has to end.

Mr. Eric Lowther (Calgary Centre, Ref.): Madam Speaker, I appreciate the opportunity to speak to this bill.

As the hon. member for St. Albert has pointed out so rightly, the time we have had to bring to light the various issues in this bill before the Canadian people has been cut short again. It is a tragic abuse of this House. There are some very significant factors in this bill that need to be brought to the attention of Canadians. I will focus on a couple of them this morning.

I want to preface my remarks to Group No. 2 amendments. We are only on Group No. 1 amendments at the moment. I do want to point out that I have some very serious concerns with Group No. 2 which I will be addressing later in the day.

It is important for us to ask in this House when new legislation comes along, how is it serving the Canadian people? With this piece of legislation it is important to look at the before picture and the after picture. What was it like before and what is it going to be like after?

• (1110)

My particular concerns revolve around the pension board itself, the people who administer and manage the funds on behalf of the employees of the Canadian government including the MPs in this very House. Prior to this legislation the way the board operated or how the fund was managed was under the scrutiny of the auditor general. The House was aware of any changes that were made. There was public scrutiny. That served the public interest and the employees covered by this plan.

What does this legislation propose to do in that arena? It proposes tragically to completely remove any kind of public scrutiny of the management of these public service pension plans. It proposes to set up a totally independent separate board, a board of people managing this fund who are appointed to their positions. I have seen no reference in the act to any sort of qualifications or skill sets for this particular job. They are appointed to the positions.

There is no option for the employees or those in the union to be represented on the board. It is their own pension plan and there is no allowance for them to be represented on the board.

There is absolutely no allowance for access to information which there was prior to this bill. If someone wanted to find out some of the details about how the fund was being managed or some aspect of the ongoing management, there was the option to do that with the current legislation. With the establishment of a new arm's length board, the access to information regulations and legislation will not apply.

In the before picture the auditor general had the purview to look at this fund, to see how it was being managed and the decisions that were being made. After this legislation, guess what? It is gone. The auditor general does not have access to or will not critique the management of this fund.

We can see a consistent number of changes with this legislation that move the management of this fund of so many public service employees of the Canadian government out of public scrutiny.

The thrust of the amendments by the hon. member for St. Albert is that they try to bring back some of the accountability to the members, the employees and the public in general as to how this fund is being managed.

An hon. member: Backbench Liberals will support that.

Mr. Eric Lowther: I hear a member commenting that hopefully backbench members from the Liberal Party will support that. I do not hold out much hope for that because we have seen them before, when the orders come down they fold their tents and line up.

The amendments we brought forward in Group No. 1 are specifically designed to bring the accountability in this pension

Government Orders

plan back to the Canadian people and to the employees covered by the plan. I will cover the thrust of the amendments for those who are listening and for those in the House today.

Motion No. 4 would force the board of directors of this new separately established pension board to maintain contact on an ongoing basis with the actuaries of each fund the board manages. In other words, this forces them to look at how the fund is actually being managed, to get the report from those who are looking at how many people are drawing from the fund, how many people are putting into the fund, how it is going to survive in the long term.

Our concern is that this appointed board with no accountability may not look at what is actually going on. It may make decisions without full consideration of the long term implications of those decisions. We are trying to bring some quality control back into the process.

• (1115)

The hon. member for St. Albert put forward Motions Nos. 8 and 11 which deal with reporting to the House who the appointed chairperson is and who are the members of the board. At present there is no obligation to inform us. Let us think about that. This is a public service pension plan for the employees of the federal government. This House, this institution, is not advised who is managing the pension plan as a result of this new piece of legislation.

Thankfully the member for St. Albert put forward some motions which would at least let us know what is going on, who are the players and hopefully their credentials for the job. This is the thrust of our amendments. Consistent with the Reform, we are calling for greater accountability in the management of public funds.

Let us look at some of the other Reform amendments. I look at Motion No. 16 which would force an act of parliament to be passed in order for changes to be made to the contribution rates. Who would this protect? It would protect the employees who are contributing to the pension plan. Without this protection rates can go up or down. If there is a surplus in the fund we know the legislation would allow the Liberal government to get a hold of it. This is a checkpoint, a way of controlling management of the fund and protecting employees from potential abuses.

Before there is any increase in the rates they will be brought before the House and an act of parliament would be required for them to be adjusted. It just makes sense. Without that there is no protection.

Let us look at Motion No. 32. Members can see the consistent theme in all Reform motions: greater accountability in the process.

I do not have near enough time to cover all amendments on the the whole theme of the bill.

A number of amendments drive home the need for greater accountability, but I will not have enough time to deal with them. For the 51st or 52nd time the Liberal government has forced closure on important pieces of legislation so we cannot bring to light the critical considerations the Canadian public needs to be aware of to see how the Liberal government is mismanaging public funds. We are calling for greater accountability in this area.

With great chagrin I have to stop. I hope my colleagues in the House have heard my appeal. We have to bring forth some accountability by supporting the Reform amendments the hon. member for St. Albert has put forward on behalf of Canadian people and employees in this plan.

[Translation]

Mr. Jean-Paul Marchand (Québec East, BQ): Mr. Speaker, I am pleased to speak today on Bill C-78, which is essentially, for those who do not know, a bill giving the present government the power to get its hands of \$30 billion in surplus funds in the federal employees' pension plans.

We are not talking here of \$30 million, but \$30 billion. This is a bill that gives the federal government the power to get its hands on that money and to use it as it sees fit. In other words, this gives the government a great deal of power, even allowing it, to a certain extent, to treat those who have contributed to this pension fund most unfairly.

What gives the federal government the power to do this is a grey area of the law. There is apparently nothing in federal law at this time that governs the use of pension fund surpluses, nothing that makes sure they are used in a reasonable manner or in the taxpayers' interest.

• (1120)

This grey area allows the federal government to act in this way, to pass Bill C-78 and to get it hands on the \$30 billion or so of federal employee pension fund surplus.

In my opinion, this is a grave injustice because, when it comes down to it, there appears to be absolutely no concern for the interests of those who contributed to this pension fund. Nor does the interest of the public seem necessarily to be served.

Such action is precedent setting. If the federal government helps itself to the surplus in its own employees' pension fund, what is there to prevent any company from helping itself to the surplus in its employees' pension fund, as used to happen? Several examples were given in the House of companies that relied on this argument to dip into the surpluses in their employees' pension funds.

Government Orders

What the federal government is doing with Bill C-78 is unfair. It is setting a poor example for companies and decision makers.

There are several indications that it is acting in bad faith. The President of the Treasury Board has not even bothered to appoint to the board union representatives or employees who have contributed to this pension fund. Rather than opening up the board responsible for managing this pension fund to people who truly represent contributors or to union representatives, the President of the Treasury Board has decided to appoint a group of people. The reason is obvious; these people will defend the interests of the federal government rather than those of actual contributors to the fund.

I am not in the least surprised. What did the federal government do for unemployed workers? Exactly the same thing. Unemployed workers contribute to employment insurance, but the government is making it increasingly difficult for more than about 36% to 39% of them to qualify for benefits. Sixty per cent of workers do not qualify, although they contribute to the employment insurance plan.

This is of course unfair. It is also a misappropriation of funds. The unemployed or the workers who contributed to the employment insurance plan expect the government to use the money to create jobs, particularly since, in the case of employment insurance, the federal government does not contribute one penny to the plan. It is the workers and employers who contribute to that plan. The money belongs to them and it should be managed with their best interests in mind, not those of the federal government.

This government is trying to find oblique ways to get as much money as possible, whether it is fair or not, as in this case. This is unfair, and even immoral and dishonest. The government collects a lot of taxes and has a lot of debts. Taxes have increased considerably since it took office. Since 1993, there have been about 38 increases. The overall tax burden in Canada has gone up about 15%. We are paying something like \$30 billion more in taxes than we did in 1993.

Canada is among the countries with the highest tax rates in the G-7, the OECD and the industrialized world. This statement is not from me, but from the OECD, which says that we are one of the most heavily taxed nation in the industrialized world.

Instead of lowering taxes and acting fairly and equitably, the government is using oblique ways to take money out of the pockets of taxpayers, including its own employees. It is grabbing the surplus in that pension fund to use it for its own purposes.

• (1125)

As has been said, this is dishonest. It is a kind of piracy. The Minister of Finance is Captain Morgan, who has decided to break into the treasure chest of his own crew. The Minister of Finance is Captain Hook, pillaging his own crew a second or third time. I am not sure how many times, but this is not the first time that this

piracy has taken place. Taking \$30 billion in surplus from one's own employees' pension fund is indeed an act of piracy

We in the Bloc Québécois are proposing some amendments because, basically, there are honest ways of handling a surplus, ways that are not hard to understand. There are many examples, in Quebec and elsewhere, of handling funds in compliance with legislation. The purpose of our amendments is to suggest to the government fair, respectable and honest ways of handling the surplus in the federal employees' pension fund.

There are plenty of examples. The 1985 act suggests all kinds of ways to apply pension benefit standards and ways to see that surpluses are, in some way, returned to those who contributed to them. There is a whole series of measures that could be implemented so as to respect the interests of those who paid into a pension fund.

First of all, the legislation created must not only ensure that the money gets back, one way or the other, to those who contributed it, but also a committee must be struck to represent unionized workers. The President of Treasury Board does not seem to be contemplating this possibility. The government has decided instead to reject outright anyone who could speak for the workers, opting instead for appointing people who will speak for the government. To what end? To get their hands on the surplus in the public servants' pension fund, that \$30 billion, and no doubt to use it for other purposes. Once again, this is a roundabout way of taxing people. Unfortunately, this is a most unfair way as well.

[English]

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Madam Speaker, I rise today to speak to Bill C-78. I understand this will be my one and only time to speak to it.

We have heard other adjectives to describe the bill, but my favourite is that the legislation came from the south end of a northbound cow. It does absolutely no good for the Canadian people. It does absolutely no good for the regard of parliament.

This is another example of the Liberal government having absolutely no consideration and no respect for the hallowed place we call the House of Commons. All four political parties in opposition represent people in constituencies from coast to coast to coast. Government members disregard us, so that means they disregard our constituents as well and the people in their ridings.

It is a disgrace to listen to them table over 200 pages of legislation which takes a Philadelphia lawyer to figure out and then ram it through. We find out through discussions that when all is said and done not even the auditor general will be able to review the aspects of the bill.

It is an absolute disgrace that current members of the plan who are working pay 7.5% of their salary into the plan. After the \$30 billion have been ripped away from their wallets, they will end up

Government Orders

paying 8.9%. In essence it is another tax upon Canadians, especially workers in the federal public service.

• (1130)

I read something very interesting yesterday in the *National Post*. I love this. The government can find more ways to spend money and waste tax dollars than any other government in the history of the House of Commons. The article stated:

Government wants to know what creates unhappy workers. For the first time the federal government is going to survey all its employees across Canada to find out what makes them so frustrated and unhappy on the job.

The government is to spend \$1 million to do that. If it wished, it could give me \$100,000, which I would spend in my riding much more effectively than it can, and put the other \$900,000 toward the debt, reducing taxes or into social programs. I could tell the government for free why people are so unhappy and so angry at the federal government.

First there is the pay equity concern. It totally ignored pay equity. It broke its promise on pay equity. On the table 2 negotiations there was another broken promise by the federal government. It absolutely forced the lowest paid workers in the federal public service back to work against their wishes without even consultation in terms of consideration for fair collective bargaining.

We could talk about our military personnel who are in Kosovo right now working in our peacekeeping efforts, over 60,000 men and women and their families. There is an absolute disregard for their future in terms of their pensions. It will take this money and spend it willy-nilly.

Our RCMP officers are under attack all the time in the press and sometimes by citizens because of some misgivings of a few of them. The RCMP does a fantastic job. To treat its members this way when it comes to their retirement and taking their money away to be spent in other areas is an absolute disgrace.

I could talk about many aspects of the federal public service. I cannot shout it loud enough. It is a disgrace what the federal government is doing. It has total disregard for its workers and retirees who amount to about 1.8 million people.

I find appalling as a new MP that this kind of effort goes on and on and on. The government has done it in many other aspects. There have been over 50 time allocation motions brought forth by the government since 1993. Now it has brought forth a piece of legislation that is 200 pages thick and has cut off debate after four hours. It never took the government four hours to write up this legislation.

My hon. colleague from Winnipeg Centre brought forth recommendations and amendments to the bill. Everyone in the House

should heed his warning. If he says they are right then they are absolutely bang on. There is not a more honourable member of the House than our labour critic from Winnipeg Centre. That was a free paid public advertisement for my colleague from Winnipeg Centre.

We can go into the various details and aspects of the bill, but I want to ask the government one question. Why when all is said and done will the government not allow the auditor general to review the legislation in upcoming years? Why is it hiding it? Why is it ramming the bill through so fast?

There have been many speculations on that side that the war in Kosovo is a perfect opportunity to present the legislation. It will not make the press. It will not make the news. It can be kept quiet and hushed. As its own internal reports say, if the government wants to do something bad it should do it fast, do it dirty, do it quick and get it over with; forget consensus from the Canadian people and forget even consulting with them. It will not even allow elected parliamentarians to speak to it.

If that is not the case, why does the government not hold committee hearings across the country to get a fair view of what the people are saying? It will not do that because it is afraid to face the public.

I have said to many of my constituents that the government plans to spend the money some three to six months prior to the next federal election. We will see the Minister of Finance and other cabinet ministers going across the country from coast to coast to coast and asking, for example, what Winnipeg Centre needs. Does it need a new road? Does Halifax need a new building? Do they need this or that? Do they need tax cuts? They will have over \$50 billion between the EI surplus and the pension surplus to spend at their will.

Liberals keep saying that it is Canadian taxpayers money. However, no one was fooled when they came down with the recent health care budget of \$11.5 billion over five years, after taking away \$21 billion. This was money that was taken away from employees and employers through the EI fund. That is where the money came from. It was not new money. Maybe next year it will be a green budget. It could be a tax reduction budget. However, I can assure members the money will be taken away from federal public servants and retirees. That is where the money will come from. It is nothing new.

• (1135)

It is the oldest shell game in the book. It robs Peter to pay Paul. There is nothing new about it. It is the oldest form of government. It forms on fascism and dictatorship.

I have always said that it appears at times we live in a capitulated democracy. As long as Liberal backbenchers do what the cabinet says, they can do whatever they want. I would be ashamed to be a

Government Orders

Liberal backbencher. They are like sheep or grazing cattle. They sit back and do whatever cabinet tells them.

I would like to be a fly on the wall when federal public servants call their offices to hear what their explanation is, what they tell these people. We know what we would tell them. We would offer our support and tell them that the government should not take this money.

The government should scrap Bill C-78, just ignore it and leave the money where it is. It should reinvest in public servants, pensioners and widowers. It should improve the benefits. It should give better dental care, health care and eye wear. It should improve pension benefits. That is what the money was there for. It was not meant for the government to take and spend at its pleasure, similar to what it has done with the EI fund.

I could talk all day on this subject. Any time we get to bash the government on something that is right we should take the opportunity to do it, but it is rare that all four political parties on the opposition side agree on something. We have agreed on hepatitis C and on various aspects of EI. Now we totally agree on this one.

If the government wants to lose the next election, this is exactly how it should go about doing it. It takes the money from taxpayers and whenever the election is held it tries to buy votes with their own money. Canadian electors are too smart for that. They will see through this smoke and mirrors in a heartbeat. They will know right away. If the federal government wants to try to win the next election, it should start backtracking on legislation like this and start listening to the opposition.

It is deplorable that the treasury board minister who holds the key to the vault says that it is the taxpayers money and no way in hell are the unions to get that money. I echo the words of my colleague for Winnipeg Centre. It is not union money. The unions are saying that it should go to all federal public servants who have retired and all those who are currently working. That is where the money belongs, not to the treasury board minister. It is a disgrace that he would try to belittle the effort of the union.

Although this is the only time I will speak to the bill publicly in the House, we will be raising the alarm bells loud and clear in our ridings.

Mr. Ken Epp (Elk Island, Ref.): Madam Speaker, I am pleased to have this limited opportunity to debate a very important issue for Canadians. They should know the abuse of democracy in this place. I have always viewed democracy as being a very fine way of getting the consensus of the governed. If we do not have the consensus of the governed in a democracy then government falls apart.

Democracy is voluntary. Each of us voluntarily subjects ourselves to the authority of the government because in a true

democracy the government is under authority to the people who elect it. That is being seriously eroded by the present government.

I am speaking to the fact that we are dealing today with a bill being rammed through parliament by a government that has gone totally crazy with power. Just because it has a majority it can do whatever it wants and its spineless backbenchers vote on command. I wish there were someone over there with some principles. They were several two parliaments ago when the GST was being rammed through, greatly against the wishes of the people. There were several members who had the personal strength to vote the way they believed people wanted despite what their government was telling them. That was democratic. I will not make any individual references, but I have high respect for people who do things such as that.

• (1140)

I would like to see some Liberal backbenchers finally get up in this place and say enough. This is not democracy. This is not the will of the people. This is not the wish of the people. This is a dictatorship. That is a strong word. I almost do not like to use it, but that is what it is. That is what is being done here. It is unconscionable. It is unfortunate.

We have many reports of people losing respect for government. This is one way respect could be restored. It is one way we could just back off and cool down the whole process. It is time for us to do what is right and to do it in the right way.

We are dealing with public service pensions. I will not use the strong words of some members to my political left and my physical right, but it is absolutely atrocious. I feel very strongly about it as well. It is unconscionable that the bill should be rammed through. I hate to use the word arrogance because when I use it, it makes me sound arrogant. However there is arrogance in a government which believes that it alone can come up with the best way of doing things and that it cannot be touched. That is wrong.

For many years I taught at a technical institute. For many of those years I was a supervisor and I learned that I could not make all the best or perfect decisions. I consulted those I supervised whom I considered my peers because many of them had as much experience as I had. Certainly most of them had as much wisdom and maybe even as much intelligence, although that would be debatable. We had many good discussions and debates.

There were many times as their supervisor, even though I thought we should go in a certain direction, that I was persuaded by the collective wisdom of the others to change direction. Sometimes it was dramatically; sometimes it was minor changes. That is an effective way of managing not only the affairs of a small math department in a technical institute but the affairs of government.

I cannot believe members on the other side are ready to invest in two or three people the autocratic right to dictate the way this

Government Orders

should be and not to say that we think some of these amendments are fine.

We are at report stage on Bill C-78 which concerns the pensions of civil servants. It just happens there are many amendments. I know I cannot use props so I will resist the temptation to use a copy of the bill as a prop. Because of its weight it has sunk right to the bottom of the pile on my desk.

It is a large bill. It has 200 pages. Consequently it is possible that one or two of its clauses or phrases are not quite perfect. What is the role of parliamentarians? It is to listen to each other. That does not mean there is a line down the middle of the House with all the collective wisdom on that side and nothing but stupidity on this side. That cannot be. That is illogical.

Therefore we have put forward a number of amendments. My hon. colleague from St. Albert said in committee that he wanted to have debated some of these amendments and others that he put forward. Basically he was shut down by the committee. Government members were so intent on ramming it through that they would not even let him debate the issues in committee.

We are continuously told that the role of parliamentarians is in committee; that is where the real work takes place.

• (1145)

If there is no effective give and take, negotiation and agreement to make changes in committee, then it has to take place here. I know it is speculation at this stage but we expect the government to limit our ability to debate. A number of members have already said that. I regret this. This is a big bill with many clauses and amendments. This will probably be my last opportunity to speak on the subject. I do not think that ought to be so.

There are several groups of amendments. It is absolutely shameful for this government to even think of shutting down debate before members have been given an opportunity to express themselves on these amendments. It is even more shameful that even though we do that, the government on the other side and all of those wimpy backbenchers will probably—I will not presuppose—just fold and do as they are told.

When it comes to pensions it is important to consider some basic thoughts. There is an MP pension plan. I am very proud to be one of the Reformers who opted out of that pension plan because it is unconscionable. It exempts this group of Canadians, namely the 301 in this House of Commons, from parts of the Income Tax Act so they can have a very very rich pension which is primarily paid for by others. It is true that members who participate make some contribution but the rate of contribution of the employer, namely the taxpayers, is way out of proportion. Because I do not believe we should be a privileged group, I opted out of it at great expense. It is

an example of other people being expected to provide for the pension benefits of a person when he or she retires.

It was the same thing with the Canada pension plan. Mathematicians and actuaries did calculations and the politicians of the day for political reasons did not act on those recommendations. They underfunded the thing and now we are facing a 70% increase in premiums in order to fix it because of political considerations.

Now there is this pension plan. The question very simply is who should pay for it? The principle we generally recognize as fair especially in government is that there be an equal payment. About 50% of the money to fund the pension should come from the employee and about 50% should come from the employer, 1:1. If we had an MP pension plan like that, I would probably be permitted by my constituents to participate in it.

The question with regard to this pension plan is whether the government has the right to take the \$30 billion in surplus. Clearly the actuaries have made a mistake and there is an adjustment to be made. We need to make sure the mathematics is done correctly. They have overcharged. Whose money is it? In my view close to half belongs to the taxpayer or the government and half belongs to the employees who have contributed to it.

For the government to unilaterally take it away without giving them their share deserves a very strong word which I am not permitted to use. It has to do with taking things that do not belong to you.

Mr. Steve Mahoney (Mississauga West, Lib.): Madam Speaker, I find it interesting. We are debating a bill of a lot of significance. It has been through a committee process. It has had over one year of negotiations between the unions representing the workers and the government. It is in the House for discussion at report stage where we would generally put forward and discuss amendments. I have listened to the last three speakers from the opposition and I have not heard anyone discuss the actual amendments they want to put forward.

An hon. member: That is not true.

Mr. Steve Mahoney: It is true.

Instead they are using the stale argument that somehow the government is ramming something through. One of them made the statement that just because we have a majority we think we can do things around here. Is that not bizarre in a democracy? When we get a majority it means we are responsible to do things. It means we are the government.

• (1150)

Not that it would ever happen, but were the members opposite through some freak of fate on this side of the House with a majority

Government Orders

government, would they turn the reins of government over to a minority opposition party, to a party that represents only one region of the country, a party that does not have the interests of the entire nation in its platform? I do not think they would. If we wanted to see things rammed through this place, just let those guys get control of the reins of government for one minute.

What we have here is a public pension fund. It is particularly curious that members of the Reform Party, of all people, would not support using a surplus. How did that surplus build up? It was through contributions over the years guaranteed by the employer, which is the federal government. A surplus of some \$30 billion has been identified. Rather than leaving it in a black box or leaving it on the books, the government says it makes sense to reduce the size of the federal government's debt with that money. This is only one program of many.

At least I understand the principles behind the New Democrats who would purport to represent the men and women in the unions in this situation. At least with their principles they say that the money belongs to the workers. I do not agree with them but I understand the philosophy and the principles they stand behind on the issue.

I find such difficulty coming to grips with the other parties, notably the Reform Party. It would purport to want to cut taxes, eliminate the debt, reduce spending in every aspect of the government, except health care of course where it is going to spend more except it is cutting so it will not have more to spend. The math is quite mind boggling. It comes out opposed to reducing the debt.

I am really curious. The member opposite said he would like to find a member in the Liberal backbench who would stand up and vote against the government so that he could respect that member. I would like to find a member over there who could possibly justify the total abdication of Reform's stated policy for fiscal responsibility by suggesting that a \$30 billion surplus generated primarily through good management of the pension fund and by the taxpayers should be left alone.

I do not understand it. I am sure if their constituents back home in western Canada had an opportunity to question them on it, the constituents would wonder why Reform members are doing this. It goes contrary to everything they have stood for. Where is the public?

It is interesting. We do not hear about the bill. We do not hear about the fact that there has been over one year of consultation with the public sector unions. There are things we could not agree with.

Should it be such a tremendous surprise that in an employer-employee bargaining relationship there might be things that cannot be resolved at the bargaining table? There might be things we would have to agree to disagree on and move on. That is exactly what has

happened here. That process has taken place. Nobody is ramming anything through. If the opposition members were doing their duty as opposition members they would be putting on the floor the real issues of debate in this bill that have been raised in committee.

That is the other point. The bill went to the natural resources committee. A member stood and showed this 200 page bill. If the members opposite are so upset with it, we would expect out of a 200 page bill there might be 50, 60, 100 amendments. We see it all the time. We see it with other bills. Why is it there are a total of 15 amendments that have been put on the floor and most of them are absolutely not the type of amendment that would have a great impact? They are minor amendments.

I do not understand why those members will not discuss the bill. They continually want to talk about the so-called issue of closure which is not what we are doing at all. We are at report stage in the House which is a normal process.

• (1155)

Members opposite think that Canadians are in a uproar over this. A lot of Canadians would love to have a pension both as secure and as generous as this pension is. A lot of my constituents would look at this and ask why should they, taxpayers, leave a \$30 billion surplus for somebody to play around with in the future when in fact it should be used to pay down the debt.

One member opposite said that at election time somebody is going to be using this money to build roads or to do favours in someone's riding. We are talking about reducing the national debt.

An hon. member: On the backs of the workers.

Mr. Steve Mahoney: Madam Speaker, I say on the backs of the taxpayers because it is the taxpayers who have to carry the burden of that debt.

We should take every opportunity in this place to identify surpluses in each and every plan, in each and every department.

An hon. member: It is not your money.

Mr. Steve Mahoney: Madam Speaker, the member says it is not my money and he is right. The money belongs to the taxpayers of Canada. I am only one of them but I speak on behalf of others and they want us to pay down the debt, without a doubt.

The Vancouver *Sun* said "If the money had not gone into the pension plan, it would have been paid as wages to the employees". That is the position the opposition takes. "It is an argument with merit", the Vancouver *Sun* went on to say, "but it runs up against one with even more merit. The employer, the federal government, must make up any shortfall in the plan"—in other words, the taxpayer is the guarantor of the pension plan—"which as a defined benefit plan guarantees the amount of pension received. The

Government Orders

employer”—taxpayer—“shoulders the risk and should get any reward”.

That is not a statement by a member of the cabinet. That is not a statement made by a member of the backbench in support of the cabinet. That is a statement right out of the Vancouver *Sun*. Members opposite who represent ridings in western Canada should listen to that.

The Montreal *Gazette* said “But fair is fair. If taxpayers were willing to take a risk to keep the plan solvent, they should get their money back if it is no longer required”. The Edmonton *Journal* said “The reason is simple: that is government money. If it is not needed to provide a fair pension to government employees, a fair pension not a sumptuous one, it is urgently needed for other purposes”. The Toronto *Star* asked “Whose pension surplus?” Whose surplus is it?. We know whose it is. It is the taxpayers’ surplus.

This bill is responsible. Those members are trying to cloud the issue with some nonsensical statements about forcing something through. There has been over one year of consultations and there have been committee hearings. It is now in the House at report stage. In this case, democracy is working well.

[Translation]

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Madam Speaker, it is of course with pleasure that I rise this noon hour to speak to Bill C-78, the Public Sector Pension Investment Board Act.

I should point out that three categories of public service of Canada employees are affected by this bill. There are the employees of the Royal Canadian Mounted Police, the Canadian armed forces and the enormous public service, spread from one end of the country to the other.

The Bloc Québécois, naturally, will be opposing Bill C-78, unless the government agrees to the amendments it proposes. As I have few illusions, I can tell you we will be opposing this bill.

• (1200)

First, we in the Bloc have moved amendments to clauses 90, 145 and 192 in order to establish a management board that would report to the House annually. The President of the Treasury Board had established an advisory committee, which, in December 1996, in fact recommended to the President of the Treasury Board the establishment of a management board.

One would not give the job of managing blood to Dracula. One should not give responsibility for the \$30 billion to the President of the Treasury Board. This is the worst mistake the Parliament of Canada could make.

The management board could properly manage the accumulated surpluses. It could establish contributions. And the reason there are

these huge surpluses is that premiums are too high. It does not take a rocket scientist to figure this out.

The board of directors could also manage the surpluses, and deficits if any. In the event of deficits, premiums would be increased. This is always part of negotiations.

The valiant Liberal member who spoke before me has never belonged to a union. He has never needed to negotiate his salary and working conditions. When the employer says that he has 10% for increases and is going to put them only toward salaries, this will not include holidays, benefits or pension contributions. As a general rule, contributions to the pension fund are on a fifty-fifty basis. The good member opposite should know that.

So, if there are surpluses of \$30.1 billion, it is because employees and the government put in too much. However, if the fund is well run, \$30.1 billion at 10%—and I think that just about any manager can easily get more than 10% interest on such an imposing amount—would yield annual returns of \$3 billion, while the federal government is now paying out \$3.1 billion to retirees and surviving spouses. So the fund shrinks by only \$100 million a year. As well, the workers in the three groups I mentioned earlier generate \$1.8 billion annually, enriching the fund by \$1.7 billion each year.

We find two things particularly maddening. The first is that the government is using its majority to gag the opposition, by allowing only four hours of debate on a bill over 200 pages thick, a bill that will allow the President of the Treasury Board to appropriate \$30 billion. This is \$30,000 million. It is a huge amount of money.

We saw what this government did with the unemployed and the poor. It took the surplus in the employment insurance fund, \$21 billion, and of course used some of it to reduce the debt, but also to intrude into provincial jurisdictions, including with the millennium scholarships.

This government is warped and mean, and it is about to plunder the surpluses in its employees pension funds.

• (1205)

These surpluses were largely accumulated with the employees’ contributions, as I will illustrate in detail. There is a surplus of \$14.9 billion in the public service pension fund; another of \$2.4 billion in the RCMP fund—there are not as many participants—and another of \$12.9 billion in the Canadian forces pension fund. When we add up these three amounts, we get a total surplus of \$30.2 billion.

Ministers in this good Liberal government, with the complicity of its backbenchers, will rise this evening and say “Yes, we agree to gouge public service workers, RCMP employees and Canadian forces members”.

Government Orders

These three groups currently include 275,000 participants. Some have retired, so that makes around 160,000. Then there are 52,000 surviving spouses as well.

With proper management, we could give workers several years' break from contributing. For most of them this would be a considerable break, amounting to over \$1,000. The surpluses could finance the funds just from the revenue generated. If properly managed, they could earn well over 10%. This could go beyond the \$3.1 billion monthly payments to retirees cost the fund.

Did the big cheese, the President of Treasury Board, the hon. member for Hull—Aylmer, consult the unions? No way. Were there any negotiations with anyone? No way. He has shown no respect for the committee he himself struck, by not paying attention to a single one of its recommendations. This is another disguised theft the Liberal government is preparing to commit.

Yesterday I got an e-mail from Jean Morin, a young man from my riding, from Thetford Mines to be exact. He asked me to speak out in the House against the flaw in the employment insurance system, which counts short weeks, when he works just a few hours in a week, in order to do the calculations for his last 26 weeks. He described this as robbery, as abuse.

These robberies are not being committed against the rich, people like the Minister of Finance, but against the poor, because there are greater numbers of them and they are often defenceless.

I am therefore asking the member across the way to stand up and vote against Bill C-78.

[*English*]

Mr. Rick Casson (Lethbridge, Ref.): Madam Speaker, yesterday we had cowboys on this side of the House and today we have horsemen on that side. I feel quite comfortable on this side with the cowboys.

I will begin by thanking some people from my riding who came to see me last Friday to discuss this bill. They are five retired gentlemen who are involved in this pension fund. They were very concerned about the speed by which this was being put through with very little debate, and that the government was using closure to force it through. They would have liked a little more time for input to their members of parliament and to ask the government to reconsider.

I am also here today representing the people of Lethbridge, home to, among others, hundreds of people who will be affected by this legislation. This legislation, Bill C-78, is nothing but a bald-faced attempt by the Liberal government to continue its tax and spend policies on the backs of Canadian workers and taxpayers.

• (1210)

The act has been controversial from the day it was proposed, and rightfully so. What the government is proposing to do is underhanded and displays a flagrant disregard for the hard-working men and women who have helped the federal government finally land back on its feet after nearly collapsing under the weight of years and years of unethical free spending policies of successive Tory and Liberal governments.

The government has reached new lows using all the procedural tricks in the House to push the bill through the House and through committee, showing a blatant disrespect for the democratic traditions of the House.

The bill will affect the following three pension funds: the public service pension plan; the Royal Canadian Mounted Police plan; and the Canadian Forces plan. The gentlemen who came to see me last Friday are in all three of these plans.

The bill will give the government authority to seize the \$30 billion surplus that exists in these plans and establish a public service pension investment board to invest the public sector pension funds in the markets. It will increase the employees' premiums from 30% to 40%. It will sweeten benefits for employees and retirees and will allow the Canada Post Corporation to establish its own pension plan by October 1, 2000.

The government in its usual way is assuring Canadians and pensioners that this is a much better method of safeguarding their money because, after all, if we cannot trust our government who can we trust.

It sounds very sugary, but the Canadian pensioners are not buying this line of government propaganda. Canadians of all political stripes, of all backgrounds and of all ages are banding together to tell the government one thing: "Keep your hands where we can see them and stay away from our money".

It warms my heart to see Canadians of all kinds, weary of years of Liberal oppression, uniting together to demand an alternative. I want to tell all those opposed to the government's actions that they have friends on the benches of the official opposition.

I want to invite all Canadians who want a national government that will deliver lower taxes, better health care, greater democracy and a stronger federation characterized by a rebalancing of powers and equal treatment under the law to come join myself and my colleagues. Together we will deliver responsible government that cares, a government that listens to the people instead of telling them how it will be.

The first reason I oppose the bill is because it allows the federal government to continue its sleight of hand budgeting shell game. Even the Auditor General of Canada will not sign off on the government's budgets because of its bookkeeping methods.

Government Orders

The three funds contain a surplus of over \$30 billion, money that has been contributed to the funds by the workers and by the taxpayers. This massive surplus has accumulated so quickly for several reasons. In order to explain this I will explain the basics of what affects the value of a pension fund.

A pension fund's value turns on three critical factors: interest rates, inflation and salary increases. The key reason for the size of the surplus was that actuaries assumed that wages would grow at 2% above the rate of inflation when in fact they have been frozen for the last six years.

That is another thing. A lot of people who worked for the government and who have retired in the last few years have had their wages frozen for six years. The settlement that they reached just a few weeks ago was not any great shakes after six or seven years of being frozen.

Since salaries were frozen, inflation was no longer a concern. The fund also grew because of the heady interest rates from the 1980s. The 20 year government bonds held by the funds have been providing handsome returns for the last five to ten years of relatively low interest rates.

Undoubtedly this is an enviable position to be in, as \$30 billion is a huge amount of money. However, it goes without saying that when there is money involved there are bound to be two sides of the story.

The unions are telling Canadians that this money belongs to the civil servants who contributed to the fund. The government is telling Canadians that this money does not belong to the workers and it does not belong to the taxpayer, that it belongs to the government and the government alone.

The government does not feel that this money belongs to the workers alone because it alone was on the hook when the fund ran a deficit so it feels solely entitled to the surplus.

The gentlemen who came to see me last Friday pointed something out to me, and it is stated in some of their documents, that this indeed is a bit of a red herring that the government is trying to float.

However, what the government so easily forgets is that it does not have any money of its own. This is money that belongs to the taxpayers. It was the taxpayers who had to kick in when the government found itself \$13 billion short, so it should be the taxpayers who benefit here.

Taxpayers will not benefit by having this money forfeited to the federal government.

• (1215)

The federal government has proven over and over again that it is not to be trusted with taxpayers' money. For all we know, this

money will be used to print more joke books or to give away more free flags. Even today on the front page of the paper there is another story of some \$50,000 or more going to a project that did not deserve any government or taxpayers' money.

This surplus should stay right where it is, away from the clutches of the government, right where the taxpayers can see it and readily available should any shortfall occur again.

There is another reason for opposing this bill. Part of the sugar-coating the Liberals are using to slip this bill past the public is that they are sweetening the benefits for employees and retirees. The bill states that survivor benefits are extended to an expanded class of beneficiary. The bill will extend benefits to the survivors of a so-called conjugal relationship, which sounds fine, but it becomes a little tricky when one tries to define what is a relationship of a conjugal nature. Is it a relationship between a man and a woman in the traditional family sense of the word? Does that include common law relationships between a man and woman? Does it include relationships between cohabiting same sex partners? Could it include two roommates? This bill could cover any of these situations, but it does not clearly define what is a conjugal relationship. Even if it did, how would a government prove whether a relationship is conjugal in nature?

Is this government, the party that is most famous for saying that it will stay out of the bedrooms of the nation, now going to hire private investigators to determine whether a relationship is conjugal? This is absolutely absurd. Without defining what conjugal relationships are, Bill C-78 survivor's benefits provisions could be subject to all kinds of litigation from individuals who deem their relationships to be of a conjugal nature.

My time is limited, but I would like to conclude by stressing one last point. Taxpayers are the odd man out in this debate. When these pension funds were created the government structured the funds in such a way that employees paid a combined 7.5% of their wages for their pension plan and the government's Canada pension plan. However, after years of successive CPP increases, with more to come, brought on by years of government mismanagement and neglect, the employee contribution to the pension fund slipped to 30%, with the government picking up the other 70%.

It was because of this mismanagement that taxpayers were forced to kick in \$13 billion recently to cover shortfalls. In addition to that \$13 billion, the government has taken an additional \$10 billion by not making interest payments on the actuarial surplus of the fund. To anybody else this amounts to highway robbery, but to the Liberal finance minister it is called being fiscally prudent.

The government is about 30 years late in breaking the linkage between the CPP and pension plan contributions. It has already cost the taxpayer over \$20 billion. It is high time that the taxpayer is

Government Orders

shown some respect. It is because of this flagrant disrespect shown to the taxpayer and because of the extraordinary contempt that the government holds for the traditions of democracy that the Reform Party cannot support this bill.

As we work through this we must remember that this bill has been rammed through the committee with very little chance for comment and it is being rammed through the House.

The hon. member from Mississauga earlier said that there were only 15 amendments. I have a list showing 51 amendments on a bill that has 200 clauses. That represents one out of four clauses which opposition parties felt needed to be amended. As well, it is a tragedy that the government has brought in closure over 50 times.

Mr. Leon E. Benoit (Lakeland, Ref.): Madam Speaker, I am pleased indeed to speak to this bill today. I would like to repeat what the motions we are debating in Group No. 1 are about. Several of the amendments that are proposed in this group were presented by Reform. These motions deal pretty much with accountability.

One would find it hard to understand why the government would not support these amendments which would lead to more openness and more accountability on the part of government. Some of the things being asked are things which one would think any government would find acceptable.

• (1220)

For example, Motion No. 4 would force the board of directors of the PSPIB to establish and maintain contact on an ongoing basis with actuaries of each fund. That is something that I think we would find to be not only acceptable, but we would expect it to be part of the legislation. We have to wonder why it is not.

Motion No. 8 would force the government to lay before parliament a copy of the appointment establishing the chairperson of the PSPIB. I do not think the government should vote against this amendment. All we are asking for is a reasonable degree of openness in this regard.

Motion No. 11, which again is a Reform amendment, is similar to Motion No. 2, except that it would deal specifically with the investment committee of the board and not the board as a whole. Again it is asking for more accountability.

With Motion No. 16 all we are asking for is openness and accountability. I do not believe that this government should oppose these amendments. This motion would force an act of parliament to be passed in order for changes to be made to the contribution rates.

Bill C-78 currently reads that rates are determined by the Treasury Board on the recommendation of the minister. Why on something this important, affecting this many Canadians, would it

be done in the backrooms? Indeed, why should this process not come before parliament so that it would be a very open and transparent process?

I can ask the questions, but it is up to the government to provide the answers. It is not providing the answers. Not only is it not providing the answers to the questions that we are asking on these issues, it is also going to invoke closure or time allocation on this legislation and it will not allow debate.

I think it is important to talk about that and the process that this government has used. I believe it has invoked time allocation 51 times. It has become routine in a way that we have never seen with any government before, even the hated Mulroney government. We know how Canadians felt about the Mulroney government by the time it was near the end of its second term. Even the Mulroney government did not abuse the use of closure and time allocation the way this government has. It has set a new standard and it is not a standard about which it should be proud. It is a standard about which the government should be completely ashamed. I will talk more about that a little later.

One of the big concerns about this legislation, which has been expressed several times before, is that the government is proposing to rob the public service pension plan of \$30 billion. It wants to take \$30 billion out of the public service pension plan. That is completely unacceptable.

It is hard to understand how a government which talks like it supports the public service can propose this kind of action. It is really hard to understand. We do not understand it, except when we look at the record over the past five years. When we look at the record of the government we see tax increase after tax increase after tax increase. It has balanced the budget, eliminated the deficit, on the basis of tax increases. The revenue is up somewhere over \$25 billion per year from the time the Liberals took office. There have been incredible increases in the amount of taxation.

Some of the increase is due to growth in the economy, but much of it is due to tax increases. Frankly, I lost track after the first several dozen tax increases of just how many there have been, but the number is certainly substantial.

Now we have a balanced budget due to the increase in taxes. We would think that the tax grab would stop. Not only has the tax grab not stopped, now the government is trying to rob the public service pension plan of \$30 billion besides the incredible tax burden it has put on people.

We have the public service pension plan and the people involved in it treated in this way. What about other Canadians? What we have seen from this government with regard to pensions of other Canadians over the five years that we have been here is a record about which it ought not to be proud. We have seen reductions in

Government Orders

pensions to seniors that have caused hardship to many of the seniors involved. Such reductions in pensions to seniors, one of the most vulnerable groups in our society, is completely unacceptable.

• (1225)

We have seen Canada pension plan premiums increase by 73% and that probably will not be the end of it. It is a plan that can offer a maximum of \$8,800 a year to someone upon retirement, yet we are looking at 10% of income which will be put into the premiums in this plan. That is an unacceptable development. Reform has proposed an alternative to this proposal put forward by the government which would offer Canadians, especially young Canadians, but all Canadians, a much better return on their pension plan dollars.

So far that has been rejected by the government. Instead it tries to take \$30 billion out of the public service pension plan, and it will be successful. I can stand here right now and say that it will be successful. The reason is that we do not have a functioning democracy in this House.

I have been spending a lot of time lately in Toronto working with new immigrant groups and people from new immigrant communities. Several have commented that what they see in our government in Canada is not a properly functioning democracy but is more like an elected dictatorship. These are not concepts I have heard first from these people. I have heard them from people across the country. However, they are comparing Canada to democracies in which they have lived, come from or seen. They are comparing our Canadian political system to political systems from other countries, and ours does not compare in a positive way to democracies in other countries.

Part of what those people see that leads them to the conclusion that we have an elected dictatorship rather than a well-functioning democracy is the number of times time allocation and closure have been used in the House of Commons. I believe they have been used 51 times. With the government invoking time allocation on this bill, which, mark my words, it will, it will be 52. Is that a democracy functioning as it should? I think not. Those people have recognized that and they are very concerned about it.

I would encourage the government to stop using time allocation and closure as a routine way of forcing legislation through the House of Commons. It is forced through for two main reasons. The first reason is to stop a debate from developing across the country on these important issues. These issues are kept within the confines of this House. There is not enough debate across the country to really have a healthy, open debate, involving all Canadians. Second, the Prime Minister and his very small group who run this country use time allocation so the policies and changes they want will pass. Then they use their whips to whip their members into line.

We are going to see that again with this legislation. Mark my words. Watch the voting record on the groups of amendments we are debating today. We will see that all government members will vote the way they are told to vote. No matter what they believe is right, they will vote the way they are told to vote. That is wrong. I think they should be ashamed of themselves.

[Translation]

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Mr. Speaker, I am pleased to speak on behalf of my party to Bill C-78, the Public Sector Investment Board Act.

This bill, as my colleagues before me have rightly pointed out, amends the Public Service Superannuation Act, the Canadian Forces Superannuation Act, the Royal Canadian Mounted Police Pension Continuation Act and other related acts.

• (1230)

I would first off remind this House and those watching that this bill was introduced by the President of the Treasury Board, who has a second job, as do all the ministers of the House. He is the member for Hull—Aylmer.

Why do I refer to the fact that he is the member for Hull—Aylmer? Because often, when there are bills of the closure or bludgeon type, such as the law ordering blue collar workers back to work—in which my colleague, the member for Trois—Rivières did such a fantastic job managing the debate—people forget that the President of the Treasury Board, member for Hull—Aylmer, represents a strong proportion of public servants living in the Hull—Aylmer area.

I would like the people, the workers and the public servants living in Hull—Aylmer to remember two years hence that this minister most of the time treats the federal public service with disdain. What distress me is that he takes them for granted. He says “We can pass laws of all kinds, we can hit them on the head with a stick, and absolutely nothing will change. They will vote for us”.

I do hope that people in the riding of Hull—Aylmer will remember this come the next general election, in two years. The last election was held two years ago, on June 2. I hope people in the riding of Hull—Aylmer will remember. We in the greater Quebec City region have clearly demonstrated how a President of the Treasury Board who shows contempt for people can be ousted.

We will recall the Mulroney years, before this government took office. Back then, Gilles Loiselle, the member for Québec, was the President of the Treasury Board. In the election held on October 25, 1993, Gilles Loiselle was fired by the voters in the riding of Québec. He has since been replaced with my colleague from the Bloc Québécois, who is now representing the riding of Québec. So, I do hope that people in the riding of Hull—Aylmer will teach the

Government Orders

President of the Treasury Board—who is taking their vote for granted—the lesson he deserves.

This bill confirms once again this government's approach to managing the finances of the country. The government tends to come barging into exclusive provincial jurisdictions and interfere in provincial jurisdictions in general. There are so many examples of such intrusions by the Liberal government that I simply cannot list them all in the 10 minutes that I have.

The government interferes in provincial jurisdictions and uses the surpluses to finance such intrusions. Think about the millennium scholarship program. The government does not recognize Quebec's jurisdiction over education and the Quebec education minister, Mr. Legault, has to negotiate with Mr. Monty, a financier and a non-elected administrator. This shows once again how arrogant the Liberal government is.

We could also mention the accumulated surplus in the unemployment insurance fund, because as far as I am concerned, this is not employment insurance, but unemployment insurance. Those on UI can be sure they will remain on UI; this program does not help the unemployed find a job. We should therefore continue to refer to this program as the unemployment insurance program, because that is what it is about.

The government appropriated the surplus in the unemployment insurance fund and used it to eliminate its operating deficit.

• (1235)

The Minister of Finance, who is a shipowner by trade, is boasting about this. Anyone who still has doubts about the minister's involvement in the shipping industry should be reminded that, whenever a motion is put forward in connection with that industry, the Minister of Finance leaves the House. He does not take part in the debate and does not vote. The Minister of Finance is still very much involved in the shipping industry.

Let us not forget that the Minister of Finance—

Mr. Denis Coderre: Mr. Speaker, I rise on a point of order. The member knows very well that we are not to mention which members are or are not present for votes. If he wants to start that, we will list all those in the Bloc Québécois who were not here for the voting yesterday.

The Deputy Speaker: It is easy to determine who is present in the House for a vote, given that the list is always published. It is certainly contrary to the Standing Orders to reflect on a vote in the House. I am sure that the hon. member for Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans does not wish to act contrary to the Standing Orders.

He may continue, without referring to a vote held in the House.

Mr. Michel Guimond: Mr. Speaker, in any event, I think you have seen that the member for Bourassa has been consistent.

The member for Bourassa is a master at this. He was in the lobby and came back for a few seconds. From his post in the lobby he decided to come back and give the Bloc Québécois member a blast.

We are on to the member for Bourassa—

Mr. Denis Coderre: I rise on a point of order, Mr. Speaker. Like you, I am only too pleased to follow procedure. Once again, if the member does not stop doing this, I will keep getting up. He has no business saying what he said. How is it that the leader of the Bloc Québécois is never here at the noon hour?

The Deputy Speaker: I believe that what we have here is an argument, not a point of order.

Mr. Michel Guimond: Mr. Speaker, the hon. member for Bourassa, who is boasting about following procedure, should be reminded of a very heated discussion he was engaged in last Thursday during Oral Questions. The only member who was called to order by the Chair was the member for Bourassa. The Speaker asked him to lower his voice.

I am not, therefore, tempted to get into a debate with him. Anyway, we are getting to know the member for Bourassa. Those listening to us know what he is like. They know he is an agitator, so I will not get into that.

I will continue, systematically and seriously, the speech I began earlier.

After the systematic theft from the employment insurance fund surplus—I am pleased to see that term did not get a rise out of the member for Bourassa. I said "systematic theft from the employment insurance fund". We should just let him sleep on, or go on home—

The Liberal government is trying to get its hands on the surplus that has built up in the pension funds of public service employees, as well as those that are yet to come. These are astronomical sums, to put it mildly. As of March 31, 1998, we are talking of somewhere around \$30.2 billion in surplus. That is \$14.9 billion for the public servants, \$2.4 for the RCMP, and \$12.9 for the Canadian Forces.

Our party acknowledges the necessity of ensuring the long-term viability of the system. In our opinion, it is possible to have this while respecting the thousands of Canadian and Quebec workers who have contributed to the plan. The present plan has some

Government Orders

275,000 people contributing to it, and 160,000 pensioners plus 52,000 surviving spouses drawing from it.

I notice, Mr. Speaker, that you are telling me I have just about 45 seconds left. It is too bad I lost the thread of my speech because of the disturbance by the professional agitator from Bourassa.

• (1240)

I will conclude by saying that our party will be bringing in some very serious amendments. We want to see each pension plan have a board, in keeping with the recommendation by the advisory committee report tabled in December 1996. In addition—

The Deputy Speaker: Order, please. I am sorry to have to interrupt the hon. member, but his time is up.

Mr. Denis Coderre: Mr. Speaker, I rise on a point of order. We heard nasty words last week. We heard the word “collabo”, and now we hear the word “agitator”. I am concerned for the members opposite.

The Deputy Speaker: This is not a point of order. This is a matter of debate.

[English]

Mr. Reed Elley (Nanaimo—Cowichan, Ref.): Mr. Speaker, it is my pleasure to rise today to enter into the debate on Bill C-78, an act to establish the public sector pension investment board and to amend several associated acts.

Bill C-78 is just one more bill in the history of the Liberal government that attempts to set legislation based upon poor policy development. Sixty-two per cent of the public elected representatives to this side of the House. Regardless of our political stripes on this side of the House, we have all been in opposition to Bill C-78.

I represent the good people of Nanaimo—Cowichan and they have told me loud and clear that they do not want to listen to the empty promises of the Liberal government any longer. They have told me that when a government does not listen to the people then it is no longer the people's government.

The people I represent here today are gravely concerned about a government that does not act logically to protect the nation's children from pedophiles who seek to harm children through child pornography. They do not trust a government that discriminates against fair family taxation.

The people of Nanaimo—Cowichan do not look favourably upon a government that turns its back on those who need our help, such as the hepatitis C victims. Indeed, the people of my riding are incensed in the way that the B.C. government, and now this Liberal government, have treated them with complete disdain over the Nisga'a agreement.

Now the government wants to have the trust of the people of Nanaimo—Cowichan in order to quickly and quietly push Bill C-78 through the House of Commons.

In the few short hours that my hon. colleagues and I will have to debate this bill, I do not anticipate that the Liberal government will understand what the opposition is saying. Some will hear but few will listen.

Motion No. 32, put forward by my hon. colleague from St. Albert, speaks about the need for government to table in parliament copies of the appointments made to the public service pension advisory committee. I feel it is imperative that this board be made up of qualified individuals. The board cannot be made up of political appointees. This is not the place for more public trough feeding. This is a place for expertise and applied knowledge, not patronage appointments.

In turn, the board must be accountable for its investment decisions. Accountability is imperative. Plumb political appointments cannot provide the expertise and transparent accountability that is required for a board such as this. It applies likewise to Motion No. 33 regarding the liquidation of the surplus into the government coffers.

Let us be perfectly clear about what the Liberal government is planning to do with these surplus funds. It is planning to put the funds toward the balancing of the books. During this parliament, the government has purportedly balanced the books. The real questions are: How was this done, and where did the money come from to balance the budget?

The budget has been balanced purely and simply on the backs of taxpayers, not on the reduction of the bureaucratic nightmare that exists all around us. There have been more than 30 tax increases by the Liberal government since it came to power. Bracket creep and numerous other taxes are alive and well.

This budget has been balanced on the backs of every taxpayer in Nanaimo—Cowichan and every other Canadian, not through wise fiscal management. That is what the Liberal government wants to do with this money today.

As the issue of accountability is imperative, the question that begs to be asked is where and how will the \$30 billion be put and used.

• (1245)

I see lots of writing in this bill, over 200 pages worth, but I do not see the plan of action for the surplus. Where is the plan? This bill is akin to the signing of a blank cheque. Mr. Speaker, I know both you and I are not in the habit of signing blank cheques. I would ask my hon. colleagues to tell us the plan. We have yet to see

the real plan for other moneys this government has taken from the federal piggy bank. I will ask the question anyway. Where and what is the plan? I would welcome the answer, but frankly I do not expect to hear a full answer to this question.

Rather than being prudent and cost cutting, the Liberal government is looking for every available dollar that does not affect its spending habits. I would strongly urge the government to leave the surpluses inside the respective pension plans. This is imperative for the security and solvency of the plan members. Without these funds remaining within the respective pensions, the risk to taxpayers from potential shortfalls is enormous. There have been shortfalls in the past and it is conceivable there will be shortfalls in the future. I say this not out of fearmongering but rather out of a look at demographics.

It is common knowledge that the baby boomers, and I am one of them, are rapidly approaching their retirement years. We are not close to reaching the peak of potential retirees yet. As more and more people begin to access their pensions, there will be a greater and greater effect upon the funds within the pension. Foolish spending today will certainly cause problems in the future. The financial strain on the pension fund will continue to grow, not shrink.

Surely this is a recipe for disaster. This is not being fiscally responsible. Bill C-78 only adds to the fancy bookkeeping. The Liberal government should not have access to this \$30 billion.

The Liberals have been saying they are putting this bill forward for the betterment and benefit of the taxpayers of Canada. This is nonsense. What Bill C-78 proposes puts the taxpayer at greater risk, not less. Although the surplus in the fund is enormous, there is a distinct possibility that a deficit could develop in the future. There is a precedent for this statement. This has occurred in the past. In fact, past deficits have cost the very taxpayers that this Liberal government is purporting to protect a whopping \$13 billion. That is a very big number, one that should not be foisted upon the taxpayers of Canada.

My office has received numerous calls and letters on this bill. The calls and letters to my office are saying words that we cannot utter, like "stealing", "theft", "criminal", and "leave my money alone".

The union representatives state that it is unconscionable that the government would seize the surplus. They are calling this a unilateral decision. They clearly make the claim that the money belongs to the workers and I agree wholeheartedly with them. The federal Liberals balanced the books partially on the backs of the federal civil servants and now they want to take away the security of their public pension plan.

I have several other concerns regarding Bill C-78. One is that the auditor general will not have the right to perform an annual audit.

Government Orders

In fact, the board's auditors will not even have to report to parliament. This is simply wrong. Without public accountability, questions regarding the transparency of the whole process will and should arise.

By comparison, the auditor general is currently not prepared to sign off on several past government budgets. Why on earth would we in parliament deny him the right to assure all Canadians, especially those who are in the pension fund itself, that their funds are secure? This is wrong. This bill takes powers away from the auditor general and it causes me great concern.

If this government wants to ensure that it is directly accountable to the people and that the process is transparent, people need to be assured there is not a separate set of rules for Bill C-78. Why should the same rules not apply to all legislation? Is there a problem with the auditor general doing his job in this capacity, or is there something else that is being hidden here?

In conclusion, I have many concerns with Bill C-78. I am concerned with the way the board is being set up. I am concerned with the accountability of this government and its fiscal accountability, or as many would say, its lack of accountability. I am concerned that the government is pushing through this bill with its enormous fiscal implications in such a short period.

• (1250)

I believe that if nothing else, the amendments proposed by my hon. colleague from St. Albert need to be given very serious consideration. Without those amendments I cannot support Bill C-78 in its present form.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, I am pleased to take part in the debate at report stage of Bill C-78, an act to establish the Public Service Pension Investment Board and 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, the Canada Post Corporation Act, and so on.

This bill is of particular interest to me since I rose several times in this House to defend the rights of seniors as a spokesperson for seniors and seniors organizations.

The purpose of this bill is to make changes to public sector pension plans. Contrary to what the President of the Treasury Board said, federal employees and retirees are concerned about these changes. The Bloc Québécois is obviously against this bill.

The amendments brought forward by the Bloc Québécois are aimed at implementing a true joint management system for public sector pension plans.

Government Orders

On April 12, the President of the Treasury Board stated in this House that federal employees should not worry about the future. He said, and I quote:

Therefore, current and past federal public service employees need not worry about the future, because it is precisely to preserve the financial future of these pension plans that the government decided to act.

The pension plans of the public service, the RCMP and the armed forces have, in recent years, accumulated a total surplus of some \$30 billion.

The Bloc Québécois cannot allow the government to act unilaterally and make major changes to the employees' pension plans. It is a rip-off.

The Bloc Québécois has always said the same thing about pension plans. They must not be changed to the detriment of seniors. This is certainly not the first time the government has tried to reduce its debt to their detriment. Seniors have always spoken out strongly.

The consultation of government's partners over several months was a failure. So there was no agreement on the necessary reforms.

Clearly, there is some similarity in strategy here with the federal government's control over the surplus in the employment insurance fund, which has accumulated in recent years. The federal government claims that this surplus belongs to it, as do the surpluses that concerns us in Bill C-78.

Seniors are no fools. I recently attended a demonstration on Parliament Hill. The message was clear: the surpluses belong to those who are retired, and they will never let the government appropriate it.

Furthermore, seniors do not want the government to appoint their friends to manage the surpluses by unilaterally creating a public sector pension investment board according to its criteria on equity.

This board cannot be independent of the government. I share the opinion of my colleague from Saint-Bruno—Saint-Hubert, who mentioned on April 12 that the government should follow the example of the Caisse du dépôt et placement in Quebec.

This is how the Bloc Québécois came to ask the government to honour its promise to submit the management of the public service pension plan to a real system of joint management. A management board comprising representatives of the employer, employees and retired employees must be set up.

• (1255)

Bill C-78 does not move in that direction. The purpose of the joint management council proposed by the Bloc Québécois would be to set up a pension fund, to plan its financing, to manage any

surplus or deficit, to manage the plan itself and to ensure adequate financing for the benefits to be paid.

Also, all of the legislation concerning the federal public sector pension plans must be subject to the Pension Benefits Standards Act. Consequently, a number of judicial rules would control the use of any future surpluses. The regulations established under this piece of legislation will set out the criteria the employers will have to meet.

Pensioners want to be treated fairly. It is normal that the surplus that belongs to them be used in part to increase their benefits. The federal government's unilateral misappropriation of \$30 billion is a true insult to seniors. The surplus should belong to both the employer and the employees.

We agree that pension plans should be allowed to be invested on the stock market, but we do not agree with the government taking the \$30 billion surplus. As I said earlier, it is a rip-off. The surpluses should be used on the one hand to improve the pension plan and, on the other hand, to set up the retirement fund being created under Bill C-78.

Losses can also be incurred on the stock market. That is something we have to think about. The federal government should not neglect the people who worked all their lives to be able to enjoy a decent and well-deserved retirement.

Let us recall the "Goodbye Charlie Brown" episode, under the Mulroney government. Many seniors fight for their rights, and we should not forget that 1999 is the international year of the older person. Seniors should get everything they are entitled to. A commemorative stamp is not enough.

Also, this year's theme for international women's day was "Going strong". Retired women are something of a majority among retired public servants, and they are sometimes among the most underprivileged. In the past, the Bloc Québécois has often complained about continuous intrusions by the federal government.

For example, the federal government tried to put in place for 2001 a new benefit based on family income, which would have the effect of depriving a number of women of their only independent source of income. We realize that Bill C-78 will have an impact on the lifestyle of many retired people.

In 1995, the federal government also tried to amend the Income Tax Act, through Bill C-282, to eliminate the deduction for taxpayers over age 65 who are entitled to the disability income tax credit.

This is further evidence that the federal government is trying to pay off its debt on the backs of the underprivileged, and more particularly senior citizens.

The Bloc Québécois is against Bill C-78, because it will allow the government to grab the \$30 billion surplus in the public service

Government Orders

pension plans. The amendments the Bloc Québécois has moved are needed to correct this flaw.

[*English*]

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it is a pleasure to speak to the Group No. 1 amendments to Bill C-78.

This bill goes to the heart of an issue that is very important to many constituents in the ridings of all members in the House. It concerns individuals in the military, members of the RCMP, approximately 300,000 retirees, and nearly one-third of a million people in other public service activities. We oppose the bill, not for the sake of opposition but on some very important ground.

• (1300)

We need to go back in history. The pension plan was constructed a number of years ago. It was based on interest rates, inflation and salary increases. As a result of a combination of those factors we see now a substantial and marked surplus within the pension plan.

The government wants to take the pension surplus and put it into general revenues to use as it sees fit. Does that surplus in that pension plan belong to the government? No, it does not. The surplus belongs to the people who paid into the plan. Furthermore, the money that was put into it does not belong to the government. It belongs to the taxpayers.

Rather than taking the money away from the people who contributed it, a better way of dealing with it would be to lower the contributions they have to make without changing the amount of money they would get back. Although the pension plan is enjoying a surplus at this point in time, that has not always been the case. If we look back in history, when there has been a shortfall the taxpayer has been on the lam for putting \$13 billion into the plan to pay it off.

While we are enjoying a surplus at this point in time, this will probably not be the case in the future. Interest rates will not always be as low as they are now. Nor will inflation. Although there has been a salary freeze for the last eight years at least, salaries will go up and have gone up. That will translate into an obligation on the part of the scheme to pay out more pension money.

We should maintain that surplus. It would be a buffer to ensure that the taxpayer will not have to put in more money at the end of the game to buttress the plan.

We as a party would like to speak to a number of other issues regarding the bill. One such issue is privatization. Previously the government put the contributions of workers into low interest

bearing but safe rates of return vehicles. That money could also be put into vehicles that are safe but generate larger amounts of money. The bill does that, and this is what we support.

We only hope the government will do the same with the CPP. All of us who put money into the CPP know that it goes into something which generates a very small amount of return. It would be far better to put it into the market, into higher interest bearing and safe vehicles. We applaud that.

On the issue of same sex benefits, my colleague put forth a very eloquent solution to the thorny issue of what people may or may not be doing behind closed doors. My colleague mentioned something called a designated partnership.

A designated partnership could be with a brother, a sister, a family member or a friend. Both parties would be engaged in a reciprocal relationship and have reciprocal responsibility. For example, two sisters could live together for a long period of time and take care of each other. If one of them were to pass away, why should the remaining sister not benefit from her deceased sister's pension?

Obviously it was a reciprocal, long term relationship, a long term commitment between two people. This would be fair and would enable people in long term relationships to give their pensions to someone who has taken care of them in a reciprocal fashion. It would get rid of the ridiculous discussions and the thorny legal descriptions of what people may or may not be engaging in, in their personal lives.

If we take that out of the picture, the concept of a designated partnership would be fair to a wider variety of Canadians who engage in living conditions which are far more inclusive than what we have been discussing the last while.

• (1305)

PSAC has been very adamant about not supporting the bill. It has been in strong opposition to it because of the way it treats workers with respect to the government's plan to pocket the \$30.1 billion surplus. It wants to use that surplus to pad its surpluses and tell the public it is doing a better job than it actually is in terms of how it is managing the country's finances.

We could do some very constructive work in terms of looking at what the government is trying to do with this surplus. The surplus is being reorganized in a very questionable fashion. Accountants would call it a questionable accounting practice, which enables the government to take \$30 billion through subterfuge and put it into something it should not be in. It is taking it away from the workers who have earned money and put it into the plan. It is taking it from the workers and putting it somewhere else.

Government Orders

We are thankful the military managed to get a raise. We applaud the government for doing that. However, the working and living conditions of many people in the military have not changed substantially. In Victoria the cost of living is very high. Men and women who work for the military have a very difficult problem making ends meet, particularly in terms of accommodation. Three years ago we proposed a plan to the then minister of defence, General Dallaire, and the assistant deputy ministers involved which would enable military personnel to live more comfortably.

The plan involved making the accommodation assistance allowance applicable to all people in the military. The accommodation assistance allowance would be non-taxable. The rents that were increased egregiously, even though salaries were frozen, would be rolled back to the point in time when they were frozen. Although they have had an increase in salary, it pales in comparison to the rent increases that have occurred for their homes.

Another thing can be done to make life a little better and more comfortable for hardworking men and women in uniform. They could enable the base commanders to have more power and control over the economics of their bases. They could find some ingenious and innovative ways to generate funds for people on bases.

Historically the RCMP has not been the best paid police force in the country. Neither does it want to be, but it wants to be paid fairly. RCMP wages have plummeted to the bottom of the barrel. The way in which its salaries have been calculated has changed over the last few years.

The government has a different method of calculating the salaries of the RCMP officers so that they are now among the lowest paid police officers in the country. I implore the solicitor general and the minister of finance to pay the RCMP a salary that is at least in the middle with respect to other police forces in the country. They would find that to be fair and reasonable, given the economic circumstances we as a country are in today.

Members of the RCMP do not have the finances for the tools of their job. As we saw in my province of British Columbia, they do not even have money to put their cars back on the road after having been bashed up. They do not have the money to prosecute serious criminals. As a result serious criminals, particularly people in organized crime, are being let out and not being prosecuted, convicted and put behind bars. The reason is that the resources are not there for them to do the job.

Many RCMP officers and other police officers across the country are working for free because they feel compelled or obligated to put criminals behind bars. Unfortunately the government is not giving them the power, the resources and the tools to do their job.

I strongly urge the government to listen to the suggestions of members from this party and others and to implement them for the benefit of people who work in the public service.

• (1310)

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I am pleased to speak on Bill C-78, which aims at establishing a kind of investment board to manage the pensions of public servants, members of the RCMP and of the Canadian armed forces.

According to accounting charts submitted by actuaries—not the opposition's actuaries but those of the government, the people in power—at present the surplus in these three pension funds totals \$30.2 billion.

This morning, I listened with great interest to members of the governing party who see themselves, as always, as those who have the absolute truth. They were telling us that they could not make a mistake and that they knew and understood the issue because of their skills as managers and that the surplus had to be deposited in the consolidated revenue fund, that is in the hands of government. There was no doubt in their mind about that.

When a government has a majority in the House, it can say anything false it wants, and no one can force it to do its duty, because it is convinced that it cannot be wrong since it has a majority in the House.

Last week in committee, I listened to the witnesses, among them distinguished actuaries, people who work in investments, and also pensioners. We had the Public Service Pensioners Association, which was represented, if I am not mistaken, by Mrs. Jeanne Smith. I asked her what amount a retired public servant got.

Of course, there are several categories of retired public servants. There is one apart from the others, consisting of generals and very high ranking members of the Canadian forces, who enjoy a pension equivalent to that of a cabinet minister having worked for 30 years and thus being entitled to the maximum. Those people receive a pension of \$115,000, \$120,000 or \$130,000 a year. The day after their retirement, they are hired at a salary of \$180,000, \$200,000 and even \$250,000, based on my information, to act as consultants for the Canadian armed forces and the government, to help the government make decisions.

Most people—even though it is disgusting to see such cases as these—do not, the day after they retire, sit in the same chair, use the same telephone and carry out the same duties as the day before, while collecting an annual pension of \$115,000, \$120,000 or \$130,000 and getting a new salary that is sometimes just as exorbitant to do the same job, but as a consultant. This is outrageous.

However, this is not the case for the average member of the Public Service Alliance of Canada. I asked Mrs. Smith how much a retired public servant gets. She gave me a few examples. A public

service employee who worked for 23 years and who is living alone collects an annual pension of \$8,900 or \$9,000. With 30 years of service, that annual pension is \$15,000. These are gross, not net figures.

• (1315)

Along with the hon. member for Compton—Stanstead—who sits on my left and whom I salute—I visited military bases across Canada last year, with the Standing Committee on National Defence. We saw military personnel housed in PMQs, which are houses that were built in the middle of the century, immediately after World War II. These houses have not been maintained or renovated.

It is now unthinkable to live in a house that would not have a hood to vent cooking odours above the stove. Yet, this was common in all the PMQs that we visited, since they were built in the middle or late forties, when these hoods were a great luxury.

It was the same everywhere. When the committee tabled its report, it recommended a considerable improvement in how we house our soldiers, as well as how we pay them, so that they can live decently. But all these recommendations were naturally shelved. The government did not want to hear them. It gave a paltry increase to soldiers to ease its conscience. With their minds easy, the Liberal members opposite are busy congratulating themselves. The government came up with a few million dollars to increase soldiers' pay, but their living conditions are completely unacceptable.

I see the member who just sat down, the committee chair, giving me a look. But, at the time, this member was as disgusted as I was at the conditions in which our soldiers lived and worked. Naturally, when they are paid so little during their working lives, they cannot be expected to have built up a huge pension.

The government is benefiting in all sorts of ways. When it underpays its employees, its contributions as an employer are lower, because these are a percentage of salary. The government is ahead on all counts, so members opposite can sleep easy. They say that the government has contributed its share, that there are surpluses, and that, when there were deficits, the government naturally stepped in to help.

I would agree that the government—because this is what it wants, and because it made up deficits in the fund in the past, although it has paid itself back by now—should be able to recover some of its past outlay, if it thought it made one, which is far from certain.

But before helping itself to the accumulated surplus in the pension funds, the government should try to improve the plans, not for the retired generals I mentioned earlier who are now pulling in \$250,000 or \$300,000 annually, but for those at the bottom of the

Government Orders

totem pole. These employees have kept their noses to the grindstone all their lives without asking too many questions. And they certainly were not asking whether their pension plan was well run. Their energy went into doing what they were paid to do.

They trusted their employer, but it failed them miserably. Today, there is a cumulative surplus of \$30.2 billion and the government will grab it and put it in its pockets, leaving these people, most of whom are below the poverty line, to try to make ends meet and unable to enjoy a well deserved retirement. We never had cause to complain about our federal public servants. But once they retire, we complain about them, and say that they get too much. If the government had something to complain about, it should have said so before they left the public service. Now it is too late.

The Bloc condemns this approach, the same one that was used in regard to EI fund. The federal government long ago stopped contributing to the EI fund, but there is a \$15 billion surplus in the fund. All workers pay into the fund, but very few receive benefits. We are told that only 35% of the workers are eligible to benefits, even though 100% of them pay premiums.

• (1320)

Once again, the government has grabbed the surpluses. This is misappropriation of funds. Since this morning, all opposition parties agree on that. The government must stop stealing. It is Robin Hood in reverse: it takes from the poor to give to the rich. In the original scenario, Robin Hood took from the rich to give to the poor.

For all these reasons, the population, the civil servants, particularly the RCMP officers, who are not known as complainers—one must be very committed to join the RCMP—and proved long ago that they were ready to make many sacrifices to be members of the RCMP, wear the stetson and ride a horse, all those people do not complain, but they must have something to live on.

[*English*]

Mr. Grant McNally (Dewdney—Alouette, Ref.): Mr. Speaker, we have heard a lot of debate today in the House on Bill C-78. The opposition parties have stated some very sound arguments as to why the government should reconsider the bill and look at the amendments that are before us.

I would like to correct the record on something that was mentioned earlier by the hon. member for Mississauga West. He seemed to indicate that there were only 15 amendments before us at this stage of the bill. I believe it is well over 50 amendments.

A lot of the amendments that have been put forward by opposition parties, the Reform Party and my hon. colleague from St. Albert, have to do with accountability and the fact that the \$30 billion the government is raiding in this pension grab is certainly

Government Orders

not set up in this piece of legislation to the degree of accountability that we would like to see. I just wanted to mention that off the top.

The bill also does not give any seats on the board to those individuals who this bill directly affects. An advisory committee will be set up, but we all know what that means. When the Liberals set up an advisory committee it means we will have a little meeting group where we can raise our concerns, but none of our concerns will be listened to. Well, they may listen but they are not actually going to do anything about them. They will just let us get together and have a talk and maybe that will make us feel better. It is almost like giving us a pat on the head and sending us out the door.

If the government was serious about this, it would allow these individuals to sit on the board. That is quite obvious.

I hear members from the Tory party agreeing. Members of the opposition are in agreement that the bill is a flawed piece of legislation and that is why we had to bring forward so many amendments. Hopefully the government will listen, but alas, our requests often fall upon deaf ears.

I want to get to the premise of the government's argument for the bill. Its premise is to say "Trust us. We are the government. We'll take care of this money, the \$30 billion. We'll pay down the debt". Why in the world would we believe that given the record of the Liberal government?

I am going to point out something which I think is obvious to all people. If we are trusted to be prudent and take care of a small amount of money, in whatever our job or our responsibility is, we will then be given more responsibility to take care of a greater amount of dollars. If we are able to manage that well, then we will be given the care of more and more dollars.

If the government was doing that then perhaps we could trust it to take care of the \$30 billion in the pension surplus, the clawback of that hard-earned money from those individuals who have contributed to the fund. However, I want to point out a glaring example of how the government manages dollars. It is an issue that some have touched on in the House earlier today and one which is before us in media on the front page of one of the national papers today. It has to do with how the government has mismanaged some \$55,000 of taxpayers' dollars, a fairly substantial sum I would think to the average Canadian. For most people that would be the amount of their salary if they had a well paying job. Unfortunately it is not even that for many folks. Fifty-five thousand dollars is a large sum of money. It is shocking to hear where the government spent this money. The Liberal government spent \$55,000 on the funding of a pornographic movie production called *Bubbles Galore*. The producers of this film thanked the Government of Canada on their website which is directly linked to the Government of Canada's webpage. That is unbelievable. How could this happen? The Liberal government dedicated \$55,000 of taxpayers' dollars to that expenditure.

• (1325)

This is a government that tells us it has the best interests of Canadians at heart. This is a government that says "Do not worry about us. Send us your tax dollars. We will cut, slash and burn health care by \$20 billion"—

Mr. Gerry Byrne: Mr. Speaker, I rise on a point of order. It behooves the House that all members participating in this debate stay closely to the topic at hand. We are talking about Bill C-78. We are talking about the superannuation act. I simply request the hon. member, instead of divulging into gratuitous conversation about other matters which he knows have no relationship to the bill, to stick to the matter at hand.

The Deputy Speaker: The parliamentary secretary is correct. We are debating a series of amendments to the act. Members' remarks should somehow be relevant to the amendments to the bill. I am not sure if the movie is relevant, but perhaps the hon. member for Dewdney—Alouette has some way of tying it in. If so, we are all looking forward to hearing it.

Mr. Grant McNally: Mr. Speaker, if the hon. member had been present earlier to hear the debate he would have heard me talk about the different amendments. He wants to shut me down now so I do not embarrass the government by bringing to light this wasteful spending.

The Deputy Speaker: We do not seem to be on the same wave length here. There are a series of amendments before the House. If the parliamentary secretary has another point of order I will hear it but I hope it will be very brief.

Mr. Gerry Byrne: Mr. Speaker, the hon. member has made reference to the presence or absence of a member in the House. It is not a point of this debate.

The Deputy Speaker: I think the point has been made. I have invited the hon. member to bring his remarks within the ambit of the amendments before the House. I think that is a relevant point.

Mr. Grant McNally: Mr. Speaker, this is a government that tells us, under the premise of their whole argument on the bill and on these sets of amendments, to trust it with this \$30 billion and it will be applied to the debt. That is what the member for Mississauga West said earlier and what other members of the government have said throughout the debate on the bill.

This is a government that wants people to trust it with the dollars they send to Ottawa but, as I have just pointed out, the dollars have been wasted. If the government wants people to believe that it is serious about applying \$30 billion which is indicated in Bill C-78 and the accountability measures mentioned in the amendments that

Government Orders

are before us—many of them brought forward by my colleague for St. Albert—it would look at these amendments.

Instead, we hear members of the government rising on points of order and trying to stop debate when things get a little dicey in terms of its record. It must defend that record because it is the government. It is our job as opposition members to point out the record of the government. If government members do not want to hear that, they do not have to be here to listen to it.

Members from the NDP, the Reform Party, the Bloc and the Progressive Conservative Party will continue to point out the government's failure in its fiscal responsibility before the people of Canada and in the House. This is a clear example of a waste of taxpayers' dollars. I would like to challenge any Liberal member from that side to stand up and defend the expenditure of \$55,000 on the production of a pornographic film.

An hon. member: It has nothing to do with the amendments.

Mr. Grant McNally: Mr. Speaker, a member on the government side says it has nothing to do with the amendments. I will say it for the third time. The premise of the government's argument on Bill C-78 is that it wants Canadians to trust it with the expenditures of these funds, which are Canadians' hard earned tax dollars. That is the premise of the government's argument for this bill. It is also the premise for rejecting the amendments that the opposition is bringing forward.

• (1330)

I state once again that if the government wants to seriously have the trust of Canadians, then it had better do a better job on accountability in terms of taking care of taxpayers' dollars, such as the \$30 billion surplus in the pension fund that it says it is going to apply to the debt. How can we know that to be the case when we see these examples popping up over and over again of the government wasting taxpayers' dollars?

I can understand why the government would rise on points of order to try to shut down this line of debate because it is embarrassing for it. It is very embarrassing.

Mr. Mark Muise: And it should be.

Mr. Grant McNally: The member on the opposition side says that it should be embarrassing. Absolutely it should be embarrassing. I know that many members of the Liberal government are embarrassed by this expenditure as well. I think that as parliamentarians we are embarrassed by it. How could that possibly have happened?

This is an area of financial responsibility which falls under the direction of the Minister of Canadian Heritage. How can that minister, who says that she stands to defend women's rights, allow

an expenditure of \$55,000 of taxpayers' money for a pornographic video? I cannot understand it.

The premise behind my argument is that if the government wants us to trust it with taxpayers' dollars, then it had better start showing us that it is accountable.

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, I am pleased to take part in the third reading debate of Bill C-78. I understand that we are dealing with a group of motions this afternoon. I want to refer specifically to Motions Nos. 2 and 3, as well as Motions Nos. 9 and 10. These are motions which have been put forward by my colleague from Winnipeg Centre.

Motions Nos. 2 and 3 deal with the ethical investment of the pension fund and specifically suggest that they not include tobacco sales or manufacture or promotion. They also would exclude pollution or environmental degradation, labour standards and practices which are inferior to those required by law in Canada, and any practice or activity which may result in the elimination or contracting out of the jobs of members of the plan.

Motions Nos. 9 and 10 simply make reference to the fact that the Auditor General of Canada should be the primary auditor of the public sector pension investment board to protect the interests of the retirees and those who will be retirees sometime in the future. I certainly stand in full support of those valuable recommendations.

I would like to make some general comments on Bill C-78 and to say that this is a closely watched debate. I know that because I have heard from many constituents in Saskatchewan who have spoken to me about this issue. Some have met with me as recently as last week in the riding to talk about their concerns. I know the government knows it is a closely watched debate. That is why it is ramming this through as fast as it possibly can. That is why it has introduced closure. The government has refused to hold cross-country hearings because it does not want the people to come forward to vent their spleen and anger at what is happening with Bill C-78.

Simply put, the approach of the government is to commandeer \$30.1 billion and to appropriate that unto itself. There is no hint that it is prepared to share this surplus with the retirees or the current public sector workers in any way, shape or form. There are basically three groups which have or are contributing to the plan: the government, the pensioners who have contributed over the years, and the current employees who are contributing. As I said, the surplus stands in excess of \$30 billion.

• (1335)

This affects public service superannuation members, folks who were employed by the Canadian forces as well as the Royal Canadian Mounted Police.

When we debated this at second reading a week or so ago the Parliamentary Secretary to the President of the Treasury Board

Government Orders

indicated to us that one of the reasons the government was commandeering the \$30 billion was because the government has to guarantee any deficit and it has to ensure that the pensions are paid out. The parliamentary secretary indicated that over the years the government has paid out some \$13 billion.

If we can just picture this, the government has paid out \$13 billion according to its figures, but it will grab \$30 billion. Where in the world is the equity in that proposition? It has refused to share this with the other two groups that have contributed over the years. It is the old adage, "What's mine is mine and what's yours is mine as well".

We have seen this movie. The member for Dewdney—Alouette was talking about movies. There was another pornographic film around and that was on the \$26 billion grab that the government made on the employment insurance fund a few years ago where there was absolutely no money and even less justification from the government. It put none of that money in. It was all employers' or employees' money, but somehow it appropriated that unto itself as well.

When the government takes the \$30 billion and runs with it, who is left in the lurch? The people who are primarily left in the lurch are women. The average pension, not the bottom end, for women in the public service is \$9,600 per year. Again, that is not the low end. That is the average received by these folks who have worked over the years earning low wages, having their salaries frozen, not qualifying for equal pay for work of equal value or anything of that sort.

That is why the government wants to close this debate down as quickly as it can because it knows how high the feelings are running out in the country on this issue. That is why it chose to stonewall any suggestion from the member for Winnipeg Centre, or others in our caucus or on this side of the House, that there be cross-country hearings.

Once upon a time the Liberals, when they sat on this side of the House, saw this issue much differently than they see it today. At that time, in the 1991-92 period, they proposed that any surpluses in pension plans should be resolved by binding arbitration. That was then and this is now. Then they were sitting to the left of the Speaker and now they are sitting to the right of the Speaker and they have a whole different approach to this issue.

I submit that what is happening is not only a shame, it is also a sham. Obviously, with its majority the government will get its way on this issue today, but I predict that there will be a day of reckoning because the government has not heard the last from the retirees on this issue. I suggest that it will rue the day when it absconded with \$30.1 billion.

Mr. Gary Lunn (Saanich—Gulf Islands, Ref.): Mr. Speaker, we are debating Bill C-78, the public service pension plan raid. At least that is what I would suggest the title should be.

As we have heard from many of the people who have spoken on this bill, what it all boils down to is the government getting its sticky fingers on \$30 billion of private pension funds.

The money that the government insists on putting its sticky fingers on is being taken from the Canadian people who paid into this fund. Let us look at who it is taking this money from. It is taking \$14.9 billion from the public service plan.

• (1340)

It was only weeks ago that we had to stand in the House all night to debate, while the government's only solution was to force these men and women across Canada back to work. That was absolutely unacceptable. Now, to add insult to injury, it is helping itself to the pension plan fund that rightly belongs to PSAC. That is absolutely wrong.

The government is taking \$2.4 billion from the RCMP members' plan. It is ironic that I attended a community policing forum last week in my riding. I spoke to an RCMP member as well as the mayor of the town of Sidney, Don Amos. They are very frustrated with what is going. In that city there is a fairly large detachment of RCMP officers. As we know, in British Columbia we have 400 vacancies that are yet to be filled because there are no officers to fill them. The government will not allocate the funds to train people. There are four vacant positions in Sidney, the community in which I live. I am told by the mayor that those four positions are 100% funded by the municipality, yet there is nobody to fill them. They go unfilled.

I was told by one of the other police officers that they have been advised that they should be using all the gas coupons they have received to fill up their police cars. Morale is very low. What is the government going to do to add insult to injury? It is going to raid their money. That is absolutely unacceptable.

It is outrageous that the government sees this \$30 billion surplus as its money. Thirty per cent of the pension plan fund is funded by the members. It is funded by the employees of the Public Service Alliance of Canada. It is their money and the government is confiscating it. That is unacceptable.

When the government does things like this it is clearly embarrassed about it. It is not putting up speakers. The last speakers on this bill have been my colleague from the NDP and another Reform member. The Progressive Conservatives and the Bloc are also speaking on this bill. Why? Because the government is embarrassed. We fully understand that it will most likely bring in time allocation or closure on this bill because it is embarrassed.

I cannot believe that we are fighting to get basic, core funding for a national institution, one of which we are very proud from coast to coast, the Royal Canadian Mounted Police. The government treats those people like the musical ride and nothing more. It makes them go around in circles and they do not get anything out.

Government Orders

That is unacceptable. What is the government doing now? It is confiscating money from a fund which those members paid into.

It is the same thing with the PSAC members who went on strike for a long time. The government's only solution to that was to come down with a big hammer and force them back to work. These are the facts. They are indisputable. They are there. Why is the government so silent? Because it is absolutely embarrassed about it.

There is a very simple solution to this. The Reform Party has put forward numerous amendments. We will watch when they come up for debate. My colleague from Alberta put forward these amendments. There are a number of them. At the end of the day what we need is a pension investment board. Let us remove it from the government and politics and have it at arm's length from the government. It should be made up of experts in the field, in the private sector, who can manage these pension funds so the Liberals cannot get their sticky fingers on them and raid them. Then the Liberals will stand and say that they balanced the budget.

Who has balanced the budget? The union members. The RCMP members. Who else is the government robbing? It is robbing the Canadian forces plan of \$12.9 billion. These are the men and women who are in active combat in Kosovo, putting their lives on the line in very scary situations. While they are on the other side of the world fighting for humanity, what is their government doing behind their backs? It is stealing their pension money. That is unacceptable. I will retract that.

• (1345)

The Deputy Speaker: Yes, I think the hon. member knows he is overstepping the bounds with language of that sort and I invite him to stay within the rules.

Mr. Gary Lunn: Mr. Speaker, I will retract that. But the government is taking their money. Those men and women are on the other side of the world fighting for Canada. At the very same time their own government is confiscating their pension plan funds to the tune of \$30 billion, from the public service union, from the RCMP and from the armed forces. That is wrong. That is so dead wrong. Thirty billion dollars.

I hope when we stand up to vote on this that some of the government members will actually look at what they are doing. They have to be held accountable. They should be focusing their priorities on these very groups where the morale is so low.

It is so real in British Columbia. RCMP officers have come up to me individually to tell me how tight cash is. It is absolutely unacceptable that the government has cut back the budget of the RCMP so much that they cannot fill the vacant positions. They

have grounded all boats. They have grounded the drug squads in Vancouver. They have cancelled overtime. It is not acceptable.

At the very same time, what is the government doing? We have seen examples. The one I just heard about today is a \$55,000 grant for *Bubbles Galore* a sex fantasy porn film. Another one which comes to mind is the outright grant of \$100,000 that went to some person to write a dumb blond joke book. The list goes on and on. It is outrageous that the government can even consider this.

An hon. member: Had they written about munchkins in the Reform Party it would have been about you.

Mr. Gary Lunn: Mr. Speaker, the insults can keep coming from the other side, but this is a very serious discussion.

Members of the RCMP are not laughing. The PSAC members are not laughing. They are watching this. Members of the Canadian forces are not laughing. They are watching every minute of this. Someone is going to be held accountable. It is their money. We have to do the right thing and put it in the hands of a private investment board where there will be accountability and the government cannot get its sticky fingers all over it.

[*Translation*]

Mr. Yves Rocheleau (Trois-Rivières, BQ): Mr. Speaker, I am very pleased to have a turn at speaking to 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 and other related acts.

I am all the more pleased because I will be speaking as well as the labour critic, a role which has led me in recent weeks to examine the sometimes sorry lot of public servants.

In fact, a few weeks ago we saw once again that the state as employer gave precedence to its power as a legislator over its power as a negotiator. And it is holding the line on that. Now we have another bill that is completely in the government's favour.

Federal public servants will have to remember the President of Treasury Board, now arriving, as the member for Hull-Aylmer, when it comes time for the next elections and the next referendum. Those on the other side of the floor will have to learn to pass legislation, not just in the supposedly collective interest, but also perhaps in a greater spirit of generosity than what is motivating the government at present.

Thousands of people and billions of dollars are involved here. Overall, there are some 275,000 contributors to the pension fund. We are talking about 160,000 retirees and 52,000 surviving spouses, people who have lived with public servants.

Government Orders

• (1350)

We are talking about a surplus of \$30 billion that has accumulated since the fund was first established in 1924. Between 1924 and 1998, a period of 74 years, some \$75 billion have been accumulated in surpluses, with the particular surplus we are looking at being \$30 billion. Believe it or not, \$14.9 billion of this come from the public service superannuation fund per se, \$2.4 billion from the RCMP superannuation fund, and almost \$13 billion from the Canadian forces superannuation fund.

This \$30 billion surplus directly affects government employees. Just as the federal government decided to use the money in the EI fund to bring down the deficit, to the detriment of this country's unemployed workers, now it has decided to lower the national debt, this time dipping into the accumulated money in its employees' pension funds.

It is a bit disconcerting from a public morale point of view to see a body as important to the Canadian economy as the federal government acting in this manner, given the moral authority it carries. It is disconcerting to say the least.

In addition, this belies all the government's supposed attempts at proceeding with caution. On the face of it, the government has made an effort. In 1996, it established the Public Service Superannuation Act Advisory Committee.

Surprisingly, the President of the Treasury Board was quite positive at the time in his remarks, praising the efforts of the workers, the union representatives and the government. He said they had made a generous effort, that they were perceptive and that he planned to implement many of the recommendations. He said the work had been productive.

I think he did not anticipate the authority of the Minister of Finance, who saw things quite differently than he did. The Minister of Finance decided that it would go instead into the consolidated fund to pay off the debt.

In this body known as the federal government, there is no real collaboration, unlike Quebec, in brackets, between unionized workers, government employees and the government as such. The government decides arbitrarily, unilaterally, in the hopes the unions will go along.

We can also say it is in contradiction with the advisory committee I spoke of earlier. It followed none of the recommendations the committee made.

And yet, it would be so simple if the government complied with the law that applies generally to the funds in the federal government pension plan. If it applied the regulations of the Pension

Benefits Standards Act, 1985, the problems and disputes we are facing today would not exist.

This is where the government is acting once again unilaterally and arbitrarily. This legislation currently applies to all jobs covered by federal regulations, except a job for Her Majesty in Right of Canada.

So it is all very well for others, but it is not a good thing when one works directly for the public service of Canada, because the government as employer prefers to issue its own rules to its own advantage.

Under the regulations, an actuarial gain must first be used to reduce an outstanding debt or a solvency deficit. This is what the regulations provide.

• (1355)

Also, the regulations state that the balance must be used to increase benefits or to reduce the employer's contributions related to the normal costs of the plan, or must be left in the plan. If I understand correctly, this applies to any corporation under federal jurisdiction, like Canadian Pacific or Sun Life for example. Any corporation under federal jurisdiction must abide by the rules set out by the federal government, even though it does not abide by these rules itself.

The regulations also provide that all or part of the surplus can be reimbursed if the surplus is in excess of twice the employer's contributions or 25% of the plan's liabilities, if the administrator has notified plan participants, in writing, of his or her intention to withdraw part of the surplus and of their right to submit to the superintendent, in writing, their comments on the withdrawal and if the superintendent has approved the reimbursement.

Therefore, if we applied these rules, we would not have the problems we have today.

What we propose, among other things, is that employees be present at the table, that they be an integral part of the committee instead of being represented by a person who is appointed by the President of the Treasury Board. Right now, out of 12 committee members, employees and unions will be represented by one person appointed by the President of the Treasury Board. This situation is not normal; it will breed challenges and condemnation.

In compliance with the wishes of employees and pensioners, we want a management board to be set up with a mandate to design the pension plan, to provide for its financing, to manage any surplus or deficit, to manage the plan and to ensure adequate financing for the payment of benefits.

This is simple, but fair. This is all the opposition is asking for and all the public servants are asking for.

STATEMENTS BY MEMBERS

[English]

MINING INDUSTRY

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, this week it seems appropriate to consider the effects of mining on the environment, its speculative nature and its impact on water, soil and the environment in general. One need only think of Bre-X, the use of cyanide to extract gold and mine tailings containing arsenic, as in the case of the Giant mine, with substances that are harmful to human health.

Last year in Spain and before that in Guyana, two major spills took place involving Canadian mining companies. Such accidents should not happen anywhere. If mining is to have a place in Canada, its promoters should take strong measures to prevent spills, to adopt non-toxic processes and to decommission mines properly.

The mining industry must be made to prevent the creation of toxic time bombs rather than leaving a mess to future generations.

* * *

TAXATION

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, today is tax freedom day in the United States. That is the day you stop working to pay the government and start working to pay yourself. In Canada our tax freedom is delayed until late in June.

Why are our taxes so high? Even after the Liberals slashed health care, pillaged pension funds and gutted the EI system so that hardly anyone qualifies, we are still paying through the nose. This is their balanced approach. Pay more, get less.

Reformers believe that when Canadians spend more money on taxes than they do on shelter and food, tax dollars should at least be spent wisely. But when we question the finance minister's priorities, instead of answering he asks where Reform would find the money to cut taxes.

We would start by cutting most of the heritage department. For what would Canada do without funding for blond joke books and porno movies? What a tragic milestone for the 60th anniversary of the National Film Board: *Bubbles Galore*, award winner of the Freakzone International Festival of Trash Cinema. Need I say more?

* * *

ELIZABETH FRY SOCIETY

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, last week was National Elizabeth Fry Week.

S. O. 31

In Peterborough and across Canada, Elizabeth Fry societies organized public events. The goal was to enhance public awareness and education regarding the circumstances of women involved in the criminal justice system. They hope to challenge and break down the negative stereotypes that exist about women who come into conflict with the law.

Elizabeth Fry Week is always the week before Mother's Day. This is not a coincidence as the majority of women who come into conflict with the law are mothers. Most of them were sole supporters of families when they were incarcerated. When mothers are sentenced to prison, children are sentenced to separation. That is why the focus this year was alternatives to incarceration.

• (1400)

I congratulate the Elizabeth Fry Society for its good work in our communities and wish it continued success as a driving force behind effective change in society.

* * *

[Translation]

DONAT GRENIER

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Mr. Speaker, I rise today to congratulate the chamber of commerce serving the asbestos region on giving its Personality of the Year award to Donat Grenier, a generous businessperson who is involved in many social and humanitarian causes.

The tribute that he will receive on Saturday at Thetford's Aramis club is well deserved, and I want to congratulate Mr. Grenier, whom everyone affectionately calls Donat.

The numerous organizations with which Mr. Grenier has been associated include Etang Madore, which allows disabled people to enjoy fishing, and the Aube de la paix detoxication centre. Mr. Grenier also played an active role in numerous community projects, including the restoration of the organ in the Disraeli church.

On behalf of all the residents of the asbestos region, I congratulate and thank Donat Grenier for being a pillar of our region's community association.

Bravo Donat and keep up the good work.

* * *

[English]

SPORT CENTRES

Mr. George Proud (Hillsborough, Lib.): Mr. Speaker, I rise in the House today to take this opportunity to congratulate those involved in the creation of the National Sport Centre—Atlantic Canada, located in Halifax.

The opening of the National Sport Centre—Atlantic Canada is the final link in a series of sport centres across Canada. With this centre we have linked athletes and coaches from coast to coast. The

S. O. 31

Atlantic centre is the seventh in a network which includes Victoria, Vancouver, Calgary, Winnipeg, Toronto and Montreal.

This centre meets the needs of fine young athletes from Atlantic Canada, needs like coaching support and access to training facilities.

I know all hon. members join me in congratulating the Department of Canadian Heritage, the four Atlantic governments, the Canadian Olympic Association and the Coaching Association of Canada in partnering together to make the National Sport Centre—Atlantic Canada a reality.

* * *

ORGAN DONOR REGISTRY

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, last Friday the government member for Port Moody—Coquitlam—Port Coquitlam introduced a private member's bill to establish a national organ donor registry.

This is completely consistent with a Reform private member's motion passed in October 1997 and a Reform opposition minority report released last month articulating constructive solutions to address the crisis taking place right now in our organ donor system, which is causing the death of over 150 Canadians every year.

The national registry of intended donors will only work if it is implemented with other changes, including an opportunity to be a donor every year and if intended donors discuss their wishes with family members.

These and other solutions are in Reform's opposition report. The government has the report. It is a plan of action. The work has been done. We do not need more studies. We do not need to spend more time on this issue. We do not need to reinvent the wheel. We need to act.

Since government members obviously support the idea of a national organ donor registry, I urge the Minister of Health to act today to save lives.

* * *

[Translation]

REGIONAL DEVELOPMENT

Mr. Claude Drouin (Beauce, Lib.): Mr. Speaker, the Government of Canada is proud of its achievements in Quebec City and the surrounding areas.

Since 1995, that region has received a total of \$42 million to promote regional growth. The government also created two programs to help and support the regions.

The first one, IDÉE PME, provides assistance to small and medium size businesses interested in exporting their products.

The second program, Initiative régionale stratégique, is also designed to help the regions. This program has two components. The first one is geared to technological development. The second component, which is the regional initiative, is geared to promoting the region at the international level, through major tourist attractions.

These are concrete tools put in place by the Government of Canada to promote the regions of Quebec.

* * *

[English]

ROYAL CANADIAN MOUNTED POLICE

Mr. Grant McNally (Dewdney—Alouette, Ref.): Mr. Speaker, the Liberals favourite yesman is up to his old tricks again. Instead of realizing the funding shortage of the RCMP in British Columbia and supporting its call for much needed funds, the member from Coquitlam has called for an audit of the RCMP.

He said yesterday he thinks that the B.C. attorney general is doing a disservice to British Columbians by telling them about the staffing shortages and that he is fear mongering by doing so. The hon. member did not stop there. He said that he would like to give the attorney general of B.C. a night course in budgeting.

● (1405)

In an attempt to move up a few seats from the translators booth and out of the smoking section, the member has done a great disservice to members of the RCMP in British Columbia. He has told them there is no funding crisis and that they should stop talking about it so that the public remains in the dark.

Once again he has toed the government line instead of speaking up for his constituents and members of the British Columbia RCMP. The member can be assured that come next election the residents of Port Moody—Coquitlam—Port Coquitlam will say no to this yesman

* * *

REFORM PARTY OF CANADA

Mr. Lou Sekora (Port Moody—Coquitlam—Port Coquitlam, Lib.): Mr. Speaker, I get an awful lot of calls from people in communities, municipalities and cities all over British Columbia represented by MPs from the Reform Party inquiring about grants and many things that are happening in Ottawa.

The ridings of Fort Nelson, Smithers, Prince George, Midway, Cranbrook, Kelowna, New Westminster and Maple Ridge are represented by Reform Party MPs. That can only mean one thing, that Reformers are not doing anything in their ridings. They are here full of hot air. On the streets they are full of hot air and nothing else.

S. O. 31

DEVELOPING NATIONS

Ms. Bev Desjarlais (Churchill, NDP): Mr. Speaker, human poverty is more than income poverty. It is the denial of choices and opportunities for living a tolerable life. The year 2000 is a call for jubilee, a chance for a new beginning for people in countries enslaved by debts they can never repay.

We do not expect people who go bankrupt to sacrifice the health and education of their children to continue paying their debts. Yet we jeopardize the survival of people in less developed countries by forcing them to pay back debts that have already been paid many times over. Since 1981 these countries have paid over \$3 trillion U.S. in interest and principal payments. For every dollar they get in western aid they pay back \$3 in debt servicing.

I have received hundreds of requests from my constituents in The Pas, Thompson, Pine Falls and Flin Flon who believe Canada should cancel the debts of the most impoverished developing countries. Let us mark the millennium by being a leader among the G-8 nations.

* * *

AIR TRANSPORTATION

Mr. Joe Fontana (London North Centre, Lib.): Mr. Speaker, I am very pleased to announce the introduction of an exciting new educational initiative at the University of Western Ontario.

Beginning in September, Western, along with its partners Air Ontario, Empire Aviation, Diamond Aircraft and the local airport authority, will be offering a four year undergraduate degree program in commercial aviation management.

This forward looking program is the first of its kind to be offered by a major Canadian university. It will enable some of the country's best and brightest university students to combine a solid academic training in business and the social sciences with professional flight training. Graduates will be prepared for rewarding careers, not only as airline pilots but in related areas of the industry such as airline and airport management.

The commercial aviation management program is another excellent example of how students at the University of Western Ontario are being equipped with the skills necessary to ensure that Canada's high tech industries such as air transportation remain competitive in a global marketplace.

* * *

[*Translation*]

NURSING WEEK

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, May 10 to 16 is Nursing Week. This is a time to stop and pay tribute to the

work done by the women and men working on the front line in the health care sector.

In 1999, the Ordre des infirmières et infirmiers du Québec has chosen a topical theme focussing on the ways that nurses improve care and the beacon of hope that they provide.

Whether it be hospital care, home care, instruction, or self care, nurses are constantly innovating and coming up with ways to improve the quality of services.

Their skills, their expertise, and their talent for sharing their knowledge have always made them top-notch professionals.

This week, and especially tomorrow, International Nurses Day, I urge parliamentarians and all members of the public to pay tribute to the work that nurses do and to thank them in some tangible way.

* * *

[*English*]

NURSING

Mr. Charlie Power (St. John's West, PC): Mr. Speaker, nursing week is an important opportunity for us to recognize the contributions made by nurses on the frontlines of our health care system.

In Newfoundland and Labrador our nurses are doing their best to cope in a very difficult professional environment. Tomorrow afternoon they will be holding a silent vigil at the house of assembly in St. John's to increase public awareness of their struggle for fairness.

● (1410)

As we all know, the nurses of Newfoundland and Labrador were legislated back to work without any recognition of their tremendous efforts on behalf of all patients in our health care system. Nurses and those who depend on their care deserve to be treated fairly by both federal and provincial governments.

I applaud the Newfoundland and Labrador Nurses' Union for its ongoing efforts. My colleagues in the Progressive Conservative Party join me today in expressing our support for all nurses across this great country.

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CANADA POST

Ms. Sophia Leung (Vancouver Kingsway, Lib.): Mr. Speaker, it was my pleasure to represent Canada Post recently at the World Orchid Conference in Vancouver. The conference, which was attended by over 1,000 delegates, was held in Canada for the very first time.

It was an honour to unveil the new series of orchid stamps which were specially designed in two Chinese painting styles.

Oral Questions

[Translation]

QUÉBEC ATELIERS OUVERTS

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, as part of Québec Ateliers Ouverts, artists from the Quebec City area submitted their most recent artistic offerings for the scrutiny of the public.

A young and talented artist, Agnès Riverin, combined words and images to present an unusually sensitive rendering of the wounds inflicted by war. Here is a short extract:

I have come from the shadows
to breathe in the light.
I know that we must
bind up the wounds of so many wrongs.
That we must pay the price
of so much madness,
those who steal freedom
and stifle the cries.

We will no longer die
Tortured into silence.
We will find expression
for our collective solitude
breaking down the distances
that keep us apart.

And in the night through
which we pass,
we will kindle the memory
of a world not yet born.

* * *

[English]

PALLIATIVE CARE

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, I am pleased to inform the House that May 9 to May 15 is National Palliative Care Week.

Hospice palliative care relieves suffering and improves the quality of life of persons living with or dying from advanced illness. Social, emotional and spiritual supports are provided to that person and his or her family by physicians, nurses, social workers, home care planners and volunteers.

The Canadian Palliative Care Association provides leadership through advanced standards of practice, support for research, advocacy for improved policy research allocation, and support for caregivers.

I ask members to join me in congratulating the Canadian Palliative Care Association and its affiliates which ensure comfort and dignity for those who are dying.

* * *

NISGA'A TREATY

Mr. John Cummins (Delta—South Richmond, Ref.): Mr. Speaker, it with sadness that I rise to remind the House of the government's abandonment of a sacred public trust, the origins of

which reach back to the Justinian code in Roman times when it was proclaimed that the water and sea were owned by no one and were available to all for the purposes of fishing, navigation and commerce.

The public right was also encapsulated in the Magna Carta. The right to fish belongs to the people, not to the sovereign or her government. That right was reaffirmed by the Supreme Court of Canada in the Van der Peet decision of 1996.

The Nisga'a treaty marks the first time since Confederation that parliament has been asked to create in British Columbia a fishery that excludes the public, a fishery that will not be open to all Canadians regardless of race. The Nisga'a final agreement will create an exclusive fishery for the Nisga'a based on race in what has been public waters.

The federal government has not sought to put a dollar value on the right being transferred and for good reason. The Nisga'a treaty will legislate an end to a right the Supreme Court of Canada has traced back to the Magna Carta.

* * *

CANADIAN COAST GUARD

Mr. Mark Muise (West Nova, PC): Mr. Speaker, on March 13 a Canadian Coast Guard employee was seriously injured while attempting to rescue an ill stricken fisherman from the Bay of Fundy.

A constituent of mine, Mr. Ian McBride, is an engineer aboard the Digby based coast guard cutter. Attempting to transfer the ill stricken fisherman from his vessel to the coast guard vessel, Mr. McBride fell overboard and was pinned between the two vessels that were being smashed together by high winds.

It is precisely these types of rescue missions that members of our fishing communities have come to depend upon. Instead of drastically cutting their existing budget, resources should be reinvested in the protection of our fishers.

Despite the recent downturn in the fishery, our West Nova economy continues to depend on the support of industry for its social and economic well-being. Our fishers deserve to be protected by a well equipped coast guard. I call upon the government to reinvest resources in this program.

ORAL QUESTION PERIOD

● (1415)

[English]

SUPREME COURT OF CANADA

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, in June Mr. Justice Cory will be retiring from the Supreme

Oral Questions

Court of Canada after 10 years of distinguished service. The Prime Minister will be filling this position on the advice of the Minister of Justice.

Since the supreme court is becoming increasingly active in rewriting the law as well as interpreting it, many Canadians feel that elected legislators should have a role in questioning and approving supreme court nominees before they are appointed.

Is the government prepared to consult parliament on this appointment and to give a parliamentary committee an opportunity to discuss and question the nominees?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, the system we have been using over the years has produced an outstanding supreme court. I do not see any reason to make any changes.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, unfortunately the public does not share the view of the Deputy Prime Minister. In a recent national survey, nine out of ten Canadians said they were opposed to the Prime Minister appointing the next supreme court justice. Eighty-four per cent preferred a greater role in appointments by the legislative arm of government, that is, parliament and the legislatures.

Why does this government not respect the will of the vast majority of Canadians and stop defending an appointment process that they neither support nor respect?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, when the Prime Minister carries out with the cabinet this appointment process, not only has it resulted, as it will in the future, in an outstanding supreme court, but the Prime Minister and his cabinet are accountable to this House for the decisions. Through this House the Prime Minister and his cabinet are accountable to the Canadian people. The Canadian people will have their say and I am sure they will support the decisions that the Prime Minister makes in this important matter.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, the Prime Minister fails to consult this House on the most important judicial and administrative appointments. He signs treaties, even commits Canada to involvement in a war with neither a vote nor a mandate from this House. He does nothing to prevent appointed judges from short circuiting this elected assembly through rewriting the law rather than just interpreting it.

Why does the government not seize this opportunity to show some real confidence in the House and insist that the Prime Minister consult the House prior to any judicial appointment?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, the Leader of the Opposition has just called for political interfer-

ence with the work of the judiciary. I do not think that this is what the House wants. I do not think this is what Canadians want.

There is no reason to link this with the matter of the situation in Serbia and Kosovo. In that situation there has been and there will continue to be consultations with this House.

Mr. Eric Lowther (Calgary Centre, Ref.): Mr. Speaker, it is obvious the government is refusing to hear the concerns of Canadians on this issue. The courts across the country are increasingly isolated from the people they judge. Hand picked ministerial appointments are eroding Canadians' faith in the justice system.

Will the justice minister continue to lock Canadians out of this process? Or will she take the first steps toward rebuilding confidence in the justice system and allow the next supreme court nominee to come before this parliament?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Let me say first of all, Mr. Speaker, that the appointment process that has been used in this country for the appointment of supreme court judges has led to the creation of the most respected final court of appeal anywhere in the world.

Let me also say, since our hon. friends across the way are so busy trashing federal institutions, that in the same poll they referred to, Canadians overwhelmingly voiced their confidence in the Supreme Court of Canada as the final appellate court in this country.

Mr. Eric Lowther (Calgary Centre, Ref.): Mr. Speaker, the minister talks about consultation. I want to ask her, did Canadians have an opportunity to be consulted on child pornography, on aboriginal land claims, on redefining the family? The list goes on and on and the answer is no.

These issues are too important to shut out Canadians. We should be able to see, learn and evaluate the supreme court candidates, before his or her appointment is a fait accompli. It is a closed shop today.

Will the minister open the door to public scrutiny and allow parliament to assess the nominees? Yes or no?

• (1420)

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the last time I checked it was the Parliament of Canada that voted on the sections of the Criminal Code dealing with child pornography. This parliament will have the opportunity to debate and vote on the Nisga'a treaty.

Far from the public being excluded, I would hope the hon. members would do their business and in fact come to this House and debate in good faith those important proposed laws.

Oral Questions

[Translation]

TRANSPORT

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the reform the Minister of Transport intends with Bill C-77 is causing great concern in all regions of Quebec.

The deregulation of interprovincial bus transportation will cause chaos in the regions of Quebec, because it will subject bus lines to the implacable law of the market.

Does the minister realize that his deregulation bill tolls the knell of bus transportation in all regions of Quebec?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, the government has followed a process for three years. The result is the bill currently before the House of Commons for debate.

It is up to the hon. member and his colleagues to bring this up in debate. We will accept whatever consensus is reached in the House.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, one way of raising the issue is to ask questions and have the minister respond.

If he has travelled in Quebec, he should realize that the president of Orléans Express, one of the main bus companies in Quebec, has said that the federal bill could deprive some 100 municipalities in Quebec of intercity transport.

Would the minister explain, for example, how a circuit such as the one in the Gaspé, which loses up to \$1 million annually, could operate without link cross-subsidization? Does he realize that he is signing the death warrant of bus transportation in Quebec?

[English]

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, as I said earlier, this bill is the result of a process that has gone on for three or four years. It follows a general consensus among the provincial and federal governments to move toward freer movement of goods and people within Canada.

There have been consultations with all the provinces. It is true that there are some concerns on the part of various members of the transportation sector in the province of Quebec, as there are in British Columbia. On the other hand, other provinces such as Ontario are completely opposed to the position as outlined by the leader of the Bloc.

[Translation]

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Mr. Speaker, according to the newspaper *Les Affaires*, over half of the passengers using intercity

buses do not have access to a car, one third are seniors or students, and one quarter are living below the poverty line.

Will the Minister of Transport admit that, by putting an end to the cross subsidizing of routes and by letting companies drop routes that are not profitable, he is hitting the poor and the vulnerable very hard?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, the hon. member raised a point of view, an opinion.

There are arguments against the hon. member's opinion. We agreed to discussions with the provinces. On Thursday evening, I will meet with my Quebec counterpart. A federal-provincial conference will take place this weekend, and this issue will be discussed.

There will also be a debate in the House of Commons on the bill. I hope the hon. member will put forth his arguments at that time.

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Mr. Speaker, I call upon the Minister of Transport on behalf of the regions and of those who need an adequate bus service.

Does the minister not realize that he must respond immediately to the concerns raised by Bill C-77 by unconditionally withdrawing it?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, the hon. member says that the Bloc Québécois supports the development of adequate service.

We, on this side, want superior service. This is why we are proposing amendments to the legislation. I hope we will have a major debate in the House on this issue, as we should under our parliamentary process.

* * *

• (1425)

[English]

IMMIGRATION

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, on the weekend I had the privilege of meeting with Kosovar refugee families who have come to Nova Scotia. I was struck by their immense gratitude for Canadians' generosity. The Prime Minister today is meeting with refugee families in Borden and no doubt he will hear the same sentiments.

Will the Prime Minister use the opportunity today to announce the elimination of the odious \$1,000 refugee head tax? Will he assure the refugees that if they choose to stay they will not have to pay?

Mr. Andrew Telegdi (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the refugees are here on a minister's permit. Their intent is to return to Kosovo.

Oral Questions

I can tell the hon. member if and when they decide to stay, then it becomes an issue we will have to answer. Most new Canadians coming to the country want to contribute and help pay their way. Furthermore, Mr. Speaker—

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

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, these are homeless, penniless, persecuted people. They have lost everything that they had. They are highly vulnerable.

Why would Canada want to be the only country among developed nations that views refugees as a revenue source? Why not eliminate the head tax for Kosovars and for all other refugees trying to rebuild their lives?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, first I think we should reject the use of the words head tax. This fee is not intended to be a tax. It is intended to cover costs of processing applications. Furthermore, as the parliamentary secretary said, as and when the refugees apply to stay here permanently this is a matter which will be given further consideration. I can assure the House of that.

* * *

TAXATION

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, today is tax freedom day in the United States, that day every year when taxpayers get to stop sending their paycheques to government and start keeping them for themselves. Canada's tax freedom day will not be for another month and a half, almost into the summer.

Canadians are paying more taxes than they have ever paid before. The finance minister is sitting on the biggest bag of cash that any government has ever sat on before. It is taxpayers' money.

When will he give that money back to the taxpayers? Why can we not have tax freedom day today in Canada?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, it may well be that the discussions of the united alternative are going better now that the Tory party is allowing the Reform to ask its questions.

As the hon. member knows, we have cut taxes substantially. That is not the difference of opinion between ourselves and Reform. The difference of opinion is that we want to protect health care and education. The real question is, why is the Reform Party prepared to sacrifice health care in order to pay for upper income tax cuts?

Mr. Monte Solberg (Medicine Hat, Ref.): Health care and education. What a joke, Mr. Speaker. The real reason we have taxes galore in Canada is that the government funds garbage like *Bubbles Galore*.

Canadians are paying the highest taxes in Canadian history. The minister is sitting on the biggest surplus in Canadian history. Never has a minister taken in as much money as this minister right out of taxpayers' pockets. When will he give that money back to the people he took it from?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, first, health care and education are not a joke. They are part of the social fabric of the country. That is one of the fundamental differences between ourselves and Reform. Second, we are generating surpluses. Think what a difference—

Some hon. members: Oh, oh.

• (1430)

The Speaker: Order, please. The hon. Minister of Finance, if he wishes to continue.

Hon. Paul Martin: Mr. Speaker, I have not seen a movie since *The Full Monty*. Surely to heaven it is unparliamentary that the hon. member rises uncovered in his place.

* * *

CORRECTIONAL SERVICE CANADA

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, despite the denials of CSC commissioner Ole Ingstrup, the 50:50 prison quota is still in effect.

Canadians continually hear of prisoners walking away from correctional institutions, being given unescorted bus tickets to freedom and using grappling hooks to scale prison walls. It is obvious that the commissioner will quickly see the release of 50% of all prisoners in Canada.

Will the solicitor general admit that there are growing indicators, including the scathing comments of the auditor general, that CSC is facing a crisis that will put Canadians at risk?

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, it is unfortunate that my hon. colleague continues to indicate that there are quotas. When public safety is the number one issue there are no quotas, there will be no quotas and there never have been quotas.

Oral Questions

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, there is evidence to the contrary when it comes to public safety.

Will the solicitor general confirm that he or his colleague, the Minister of Justice, are in receipt of a letter allegedly sent by Tyrone Conn, the inmate who was serving 47 years for armed robbery, who escaped from Kingston Penitentiary last Thursday? In the letter Mr. Conn mocks the liberal penal system, its wardens, its lax security and gun registry.

Will the solicitor general advise whether he is in possession of the letter, its authenticity and the status of Mr. Conn?

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, I take this matter very seriously. This is the first escape from Kingston in 41 years. It is a very serious situation.

I can assure my hon. colleague that I am not in possession of any letter and I am sure my hon. colleague, the Minister of Justice, has no letter of recommendation from this gentleman.

* * *

[Translation]

SHIPBUILDING

Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ): Mr. Speaker, all those who have operated the shipyard at Lévis in the past, and those who might eventually acquire and operate it in future, are unanimous: the federal shipbuilding industry support measures are inadequate.

Does the Minister of Industry intend to take advantage of the unanimous support of the opposition, the industry, and his own Liberal party faithful, to support my bill, which would finally give the federal government an effective shipbuilding policy?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I was pleased to meet with leaders of the shipbuilding industry a few weeks ago, at which time they expressed their thanks for the opportunity to meet with me, and congratulated me on my interest in the issues surrounding their industry.

[English]

What is really interesting today is to see the Reform Party supporting subsidies for the shipbuilding industry. That is an interesting thing that happened here today.

[Translation]

Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ): Mr. Speaker, my supplementary question is for the Minister of Finance.

Since two of the measures put forward in my bill concern taxation, what is the Minister of Finance waiting for before he

finally takes some positive action with respect to shipbuilding, by ceasing to tax the benefits provided by the Government of Quebec and by adopting similar measures at the federal level?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, there are already measures in place, including tax shelters, to support the shipbuilding industry.

During the debates in this House a week ago, it was stated that the very existence of a shipbuilding policy, which consists not only of tax shelters but also of assistance with export sales and a government purchasing policy, is proof that there is a true policy to assist shipbuilding.

* * *

[English]

TAXATION

Mr. Richard M. Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, Canada's suppressive tax levels are driving our brightest and best to the U.S., where today they are celebrating tax freedom day.

• (1435)

Major players in the high tech industry are threatening to say goodbye to Canada and our tax crazed finance minister.

While he is sitting on this huge budget surplus, Canadians are labouring under his insatiable tax demands. Why does he not just give some of the taxpayers' money back? Why does he not do it today? Why does he not do the right thing?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, as I have stated, the difference between the two parties is not in the desire to cut taxes, it is in the desire to preserve health care, education and the social fabric of the country. Does the hon. member not agree with that?

The Reform Party has said that it would cut taxes by some \$26 billion, but so far it has refused to state, apart from a couple of comments in terms of the elimination of health care spending, what it would do. Will the hon. member in his supplementary stand in the House to tell us where he would get that \$26 billion?

Mr. Richard M. Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I am sorry to burst the finance minister's bubble but here are the facts. There have been \$40 billion in tax increases since 1993 when the Liberals came to power. Disposable family income has dropped by over \$4,000 since they came to power. The Canadian personal income tax level is 56% higher than the average of the G-7 countries.

Out of all that he has a huge budget surplus and Canadians are saying that they want some back. Why does he not give Canadians some real tax relief? Give them their money back.

Oral Questions

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the hon. member's facts are simply wrong. The government's revenues are up because economic activity is up and there are more people working, over a million and a half. The fact is that personal disposable income growth is up. It is not down. Our national net worth is up. It is not down.

Now that I have answered the hon. member's question, I ask him to answer mine. Where is the Reform Party going to get \$26 billion worth of cuts? Why will he not answer the question? What is he afraid of?

The Speaker: Order, please. This side asks the questions and that side answers them.

* * *

[Translation]

KOSOVO

Mr. Daniel Turp (Beauharnois—Salaberry, BQ): Mr. Speaker, yesterday the permanent representative of China to the United Nations said that his country would not approve any security council resolution regarding a peace plan for Kosovo unless NATO air strikes against Yugoslavia stopped.

Can the Minister of Foreign Affairs tell us whether Canada and NATO member countries are rejecting China's condition?

[English]

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, I talked with our representatives at the United Nations and there is no substance to many of the reports that the Chinese have said they will not negotiate. In fact, China is now engaged in a series of discussions. The Chancellor of Germany is there on behalf of the G-8. They just finished meeting with a Russian envoy and they are in active discussion with a number of members of the security council, including Canada. To say that they will not negotiate simply is not the case.

[Translation]

Mr. Daniel Turp (Beauharnois—Salaberry, BQ): Mr. Speaker, it is not clear whether or not China wants to participate in the work of the security council.

As a council member, what does Canada intend to do to overcome this new difficulty and ensure that the UN and its security council play a role in finding a solution to the conflict in Kosovo?

[English]

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, at noon hour I had the opportunity to have a very extensive discussion with Carl Bildt, who is now the UN Secretary

General's special envoy for the Balkans. We exchanged a number of views about how we can, most importantly, begin looking at the development of specific detailed implementation plans which can be taken to the security council as quickly as possible. We believe strongly, as the Prime Minister has said, that there must be a security council resolution. We are working with the UN to make that happen and we will continue to work as well with our Chinese colleagues.

* * *

TAXATION

Mr. Reed Elley (Nanaimo—Cowichan, Ref.): Mr. Speaker, the government always uses the excuse that it cannot lower taxes because it needs the money to fund our public health care system. Here are the facts. First, it has taken \$21.4 billion out of our public health care system. That is how it fixed it. Second, in the U.S. the average taxpayer pays 30% less taxes than Canadians. Third, the U.S. government spends \$800 more per person on its public health care system than we do in Canada.

• (1440)

No more excuses. The minister is sitting on a fat budget surplus. When will he give real tax relief to Canadians?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, these are the facts. In the previous parliament the Reform Party said that it wanted to take \$3.5 billion out of the health care system.

Fact: Two weeks ago the member for Elk Island said that health care spending was irresponsible.

Fact: The member for Calgary—Nose Hill said that spending on health care was irresponsible.

Fact: The member from Okanagan, who started the whole thing, said that health care spending was questionable.

Let me tell the Reform Party that health care is part of the basic fabric of this country and we will protect the health care system.

Mr. Reed Elley (Nanaimo—Cowichan, Ref.): Mr. Speaker, if the minister really believes that, why did he slash so much out of the health care budget of this country?

In 1997 the Canadian government spent \$1,775 per person for public health care expenses. Here is the difference. The United States government spent \$2,600 per person to fund its public health care system. Its taxes are lower and it spends more per person on public health care.

When will the government get off its budget surplus and put the Canadian taxpayer back on the road to health?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, those of us who were elected to this House in 1993 will not forget Reform member after Reform member standing and saying "Cut

Oral Questions

spending. Cut health care spending. Cut the transfers to the provinces. Cut the social fabric to eliminate the deficit”.

The fact is that we eliminated the deficit and we preserved the social fabric of this country.

At the same time as this government was bringing in special tax incentives for the physically disabled and for young children, the Reform Party fought against them. The Reform Party has not had a balanced approach on any issue. It has been scorch and burn all the way. That is why it is at 6% in Ontario.

* * *

[Translation]

EMPLOYMENT INSURANCE

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, this morning, the Association des collaboratrices et partenaires en affaires released a report showing the negative impact of the act, which automatically excludes from the employment insurance program those workers who are related to their employer.

The Minister of Human Resources Development does not ask himself any questions when he collects contributions, but he imposes a burden of proof and becomes very suspicious when it is his turn to pay benefits that are earned the hard way by workers in many small family businesses.

How far will the Minister of Human Resources Development go in his harassment of the jobless?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, I find the rhetoric of the member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques to be excessive, but we are getting used to that in the House.

Let me make it clear that our department is making sure that all those who are entitled to employment insurance are indeed covered. The program's integrity is important to a good manager.

As for referring the claims the member mentioned to Revenue Canada, this it is the case for only one claim out of every 6,000. We can hardly talk harassment, considering that only one out of every 6,000 claims is referred to Revenue Canada.

* * *

[English]

JUBILEE 2000

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, earlier today a representative of the Jubilee 2000 campaign presented the Minister for International Cooperation with a petition

signed by 600,000 Canadians calling for debt relief for the world's poorest people.

Can the minister today tell the House what Canada is doing to promote the debt relief agenda on the international stage?

Hon. Diane Marleau (Minister for International Cooperation and Minister responsible for Francophonie, Lib.): Mr. Speaker, all members should salute the organizers of the Jubilee 2000 campaign. They have done a remarkable job. Their petitions, along with those of other countries, will be presented in Cologne to the G-7 in June.

Canada has already written off most of its ODA debt to the poorest countries. We are prepared to do more for these same poor countries and we ask the international community as well as international financial institutions to offer more generous, more timely and more flexible debt relief to the world's poorest countries, those that meet the requirements of the HIPC initiative.

* * *

● (1445)

TAXATION

Mr. Gerry Ritz (Battlefords—Lloydminster, Ref.): Mr. Speaker, the government's balanced approach has raised taxes 60 times in the last 6 years. Revenues have grown by over \$40 billion a year. The surplus has never been bigger.

For all our hard work, Canadian taxpayers get a health care system in jeopardy, increased student debt, high unemployment and reduced coverages, Canadian agriculture in crisis, east and west coast fisheries that are dying and no national highways program.

Where has all the money gone?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, this is very difficult to understand. The hon. member's party opposed the agricultural assistance and now he stands to talk about it. It opposed health care funding and now he stands in the House to talk about it. It opposed the child tax benefit and now he stands in the House to talk about it.

The fact is one is entitled to ask the Reform Party to keep its lines consistent if not from week to week at least from day to day.

Mr. Gerry Ritz (Battlefords—Lloydminster, Ref.): Mr. Speaker, the finance minister has record surpluses because 2.5 million taxpayers have been pushed into higher tax brackets and 840,000 low income families have been dragged onto the tax roles with bracket creep.

Is this the finance minister's answer to brain drain; tax until they cannot afford to leave?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the government's revenues are up because there are 1.5 million

more Canadians working; 450,000 last year alone. Our revenue is up because business confidence is up and consumer confidence is up. We have had very high housing starts over the course of the last year. Our revenues are up because Canada is functioning very well.

North America is part of one of the strongest economies in the world. That is why we are doing well and why we are going to keep on doing well.

* * *

CANADIAN ENVIRONMENTAL PROTECTION ACT

Mr. Rick Laliberte (Churchill River, NDP): Mr. Speaker, the Canadian Environmental Protection Act, Bill C-32, received the lengthiest clause by clause review in recent parliamentary history. The committee responded when health and environment groups said the bill was weak. The standing committee strengthened Bill C-32.

What happens then? The unite the right to pollute reaches a new low. We witnessed the Liberal, Reform and PC Parties fighting to impress their chemical lobby friends.

Can the environment minister explain why the industry wish list for Bill C-32 comes first and children's health comes last?

Hon. Christine Stewart (Minister of the Environment, Lib.): Mr. Speaker, Bill C-32 is a bill about protecting Canadians' environment and health. I want to congratulate and thank my caucus colleagues on this side for their extensive work in committee to improve the bill.

If the package that was presented to the House today at report stage is carried through, it will create the best piece of environmental protection legislation in the world. Its principles of pollution prevention and precautionary approach to pollutants and the virtual elimination clauses are very important principles that this act engages and will be there to protect not only the health of adults but the health of children as well.

Mr. Rick Laliberte (Churchill River, NDP): Mr. Speaker, we hear this bill is really going to get carried through. Our environment is being poisoned. Our children are victims of pollution. Every Canadian family knows of a friend or relative affected by cancer. The links between chemicals and disease are proven. Bill C-32 is our chance for cleaner air and waters. Canadians demand improved environmental protection, but the unite the right to pollute says no.

Will the government commit to a full and open debate on Bill C-32 or will it force closure to hide from public scrutiny?

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if the hon. member and his colleagues want to discuss the amount of time apportioned to any

Oral Questions

particular bill, may I suggest to him that he discuss it with his House leader. If he is not on speaking terms with his House leader, I can arrange an appointment for him.

* * *

● (1450)

[Translation]

CHILDREN

Ms. Diane St-Jacques (Shefford, PC): Mr. Speaker, yesterday the Minister of Justice released the government response to the report by the Special Joint Committee on Child Custody and Access. The reform strategy put forward by the government endorses the committee's recommendation that children be made the number one priority when parents separate.

Every day that goes by is a vital importance to children who are being exposed to the conflicts generated by the separation of their parents.

How then can the minister justify the additional three-year delay she plans to make these children endure before implementing the federal reform strategy?

[English]

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, let me first take the opportunity to thank the special parliamentary joint committee of the Senate and House of Commons for the very fine work that it did in relation to the difficult issues surrounding custody and access when husbands and wives dissolve their relationships.

We as a government have endorsed and developed a strategy that speaks to the recommendations made by that committee. The committee recommended that the best interests of the child be the focus of our amendments to the Divorce Act. We endorsed that approach wholeheartedly.

However, it is very important for us to get it right. Getting it right involves working with the provinces and the territories.

[Translation]

Ms. Diane St-Jacques (Shefford, PC): Mr. Speaker, the joint committee travelled the length and breadth of the country for months, hearing more than 520 witnesses, including representatives of the provincial governments. We know the government is very fond of consultation, but it also needs to know how to move on to action, particularly when the ones paying for the delays caused by government inaction are children.

Could the minister not invite her provincial colleagues to speed up implementation of the federal strategy for reform?

*Oral Questions**[English]*

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, because issues surrounding custody and access are of shared jurisdiction between the federal government, the provinces and the territories, we have a federal-provincial-territorial working group in place. I will be referring both the special committee's report and the government's response to that working group. I will be encouraging them to do their work as quickly as possible.

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SIERRA LEONE

Hon. Sheila Finestone (Mount Royal, Lib.): Mr. Speaker, while the world is extremely concerned about the ongoing human security issues in Kosovo, we are also very upset about what is going on and the atrocities taking place in Sierra Leone.

I wonder if the Minister of Foreign Affairs could bring us up to date and tell us what is being done in order to alleviate, particularly the lives of women and children, and to regulate this situation.

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, I want to indicate to the House that I was very pleased today to receive a report from the special envoy to Sierra Leone, the hon. member for Nepean—Carleton. He outlined a number of recommendations which I will share with my colleagues. I know he will also be taking the report to the foreign affairs committee this afternoon.

I would like to personally thank the member for Nepean—Carleton for a really dedicated task and for bringing to the attention of Canadians an area of great concern and urgency for children in Sierra Leone.

* * *

IMPAIRED DRIVING

Mr. Chuck Cadman (Surrey North, Ref.): Mr. Speaker, one bad law plus another bad law equals an injustice.

A teenager drinks six beers before driving to school and then kills two girls when he loses control of his vehicle. The breathalyzer evidence is excluded on a technicality. The judge apparently does not think that six beers in two hours is enough evidence for impairment. The young offender gets one year in open custody.

Yes, the impaired driving laws are under review, and yes, the new youth justice act is before the House. However, will the minister assure Canadians that any new legislation will prevent a similar travesty of justice from ever occurring again?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as the hon. member is

fully aware, the whole question of impaired driving is under review by the Standing Committee on Justice and Human Rights. It has had the matter before it for some time. I look forward to seeing the report and reviewing the recommendations. I will then report back to the House as soon as I can. I am the first to acknowledge what an important issue dealing with the scourge of impaired driving is in our society.

In addition, let me remind the hon. members that I would like nothing more than to pass our new youth justice legislation as quickly as possible. However, who in the House is stonewalling? The Official Opposition.

* * *

*[Translation]***MEDICAL USE OF MARIJUANA**

Mr. Bernard Bigras (Rosemont, BQ): Mr. Speaker, the Ontario court has awarded a constitutional exemption to an individual with AIDS to enable him to use and grow marijuana for medical purposes, because the federal government is so slow in providing marijuana to the terminally ill.

● (1455)

In the light of this new situation, what does the Minister of Health intend to do? Will he appeal this decision by Mr. Justice LaForme, or will he apply section 56 of the Health Act to give Mr. Wakeford a special exemption?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, I have no intention of appealing this decision.

As I have already said in the House, we intend to start clinical trials later this year. The government intends to pursue research on the medical use of marijuana for people who are gravely ill.

* * *

*[English]***TAXATION**

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

In March we became the first parliament in the world to endorse the idea of a Tobin tax, a tax on international currency speculation. Yesterday the Bank for International Settlements said that the currency transactions are now up from \$1.3 trillion a day to \$1.5 trillion a day, an increase of over 20%.

In light of that, I wonder if the Minister of Finance will be raising the issue of the Tobin tax at the G-8 meeting in Germany in June. At that time, would he be willing to express the will of parliament and raise the issue of the Tobin tax, the question of speculation on international currency?

Oral Questions

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, as the hon. member knows, Canada first raised this issue a number of years ago at G-7 meetings and at the annual meeting of the IMF.

Since the vote in the House, there has been a G-7 meeting and I raised this issue. I also raised it at the IMF meetings that took place some three weeks ago.

* * *

HIGHWAYS

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

One of the most controversial issues that has come up in the New Brunswick election already is the toll highway between Moncton and Petitcodiac, and rightly so. In 1995 the New Brunswick minister of transportation signed an agreement to pay for 50% of the total eligible costs of the highway and then he broke the agreement.

When the federal minister meets the provincial minister on Friday, will he help the people in Atlantic Canada and demand that the New Brunswick government finally honour the agreement signed by the minister himself, an agreement to pay for 50% of the highway?

Hon. David M. Collette (Minister of Transport, Lib.): Mr. Speaker, up until now I thought the hon. member was motivated by a genuine desire to deal with this difficult issue, but to raise this in the course of the New Brunswick provincial election tells me that he really is using this as a partisan issue.

On the substance of the matter, I have answered these questions many times in the House. I will be meeting with my provincial counterparts on Friday and I am sure the issue of tolls will be a subject of discussion.

* * *

YOUTH

Mrs. Rose-Marie Ur (Lambton—Kent—Middlesex, Lib.): Mr. Speaker, my question is for the Secretary of State for Multiculturalism and the Status of Women.

As we all know, our youth are our future. In the wake of the recent tragic happenings with high school students, there appears to be a tendency to label young people as problems in our society.

Can the secretary of state tell the House what action we are taking to reach out to our young people and to involve them in a positive problem solving process?

Hon. Hedy Fry (Secretary of State (Multiculturalism)(Status of Women), Lib.): Mr. Speaker, one of the things we believe is that

young people will provide the answers to some of the problems we face today.

We know that a large number of Canadians believe that the government has a role to play in eliminating racism. We have a plan called Action 2000 and together with the YWCA and the Boys and Girls Club of Canada we are engaging young people in action for the next year ending March 21, 2000 to come up with solutions to deal with racism in our country and to set up a positive relationship for harmony.

We also have an international component. The Prince of Wales, Tony Blair, Bill Clinton and others in other countries have come on side to join with us in a global network of youth fighting racism.

* * *

ARTS AND CULTURE

Mr. Chuck Strahl (Fraser Valley, Ref.): Mr. Speaker, I see that our cultural protector, the Minister of Canadian Heritage, has not only spent the \$98,000 to fund the dumb blond joke book, but now has coughed up another \$55,000 for *Bubbles Galore*, a feminist sex fantasy that won the Freakzone International Festival of Trash Cinema award.

On behalf of Canadians, we would like to ask why the Minister of Canadian Heritage feels that money spent on this kind of trash is in the best interest of Canadians.

• (1500)

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, I can report to the House that I have not viewed the film in question and I assume the same can be said about most members.

This is certainly one of those very serious cases where I would very much like to shorten the arm's length relationship which exists with the Canada Council and other agencies.

When the Mulroney appointed Canada Council members approved this grant some six years ago and when the Mike Harris Conservatives approved a similar grant some five or six years ago, I think they were seized of the arm's length policy which I am sure we would not want to put at risk for the sake of one bad decision.

* * *

[Translation]

EMPLOYMENT INSURANCE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, last fall we questioned the Minister of Human Resources Development on employment insurance quotas, and were unable to obtain any answers here in the House.

At the same time, journalists for the TVA network applied to the information commissioner to obtain details. The word came back

Government Orders

today, and the commissioner has clearly stated that the minister put his own interests before those of the requesting parties and has defied the law all this time.

How can the Minister of Human Resources Development justify not responding to our questions in this House, on the one hand, and defying of the Access to Information Act when inquiries are made by journalists, on the other?

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, I always answer questions from the Bloc Quebecois. I am always pleased to do so.

I give the best answers I can, because the matters raised in the House are very important to our government.

I will therefore look at the report to which the hon. member refers. Clearly, we have excellent access to information legislation, which is also very useful in ensuring that we have government transparency. I believe all Quebecers greatly appreciate the transparency of our government, which is greater than elsewhere.

GOVERNMENT ORDERS

• (1505)

[*Translation*]

PUBLIC SECTOR PENSION INVESTMENT BOARD ACT

The House resumed consideration 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, as reported (with amendments) from the committee; and of the motions in Group No 1.

Mr. Yvan Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok, BQ): Madam Speaker, it is always difficult to rise in the House after oral question period to make a speech, but I will take advantage of the fact that there are many members present right now, especially on the government benches, to share my thoughts on the infamous Bill C-78.

First, this bill is highway robbery. The government is trying to put its hands on \$30 billion stolen from various civil service

pension funds, and would have us believe it is doing so after due consultation and negotiation. This is bogus, and I want to say this while everybody, or nearly everybody, is still here.

Why is the government trying to do this kind of thing in today's economy, especially after four years of negotiations with the three groups involved? We are talking about the RCMP, the federal public service and the Canadian forces. Thirty billion dollars will be taken from these people.

Negotiations went on for four years, and the President of the Treasury Board even said these discussions were encouraging. He went as far as to say that these consultations could lead to a partnership that would implement, within the public service, the concept of a management board independent from the government. That statement was made in February 1998 by the President of the Treasury Board.

We have before us today Bill C-78, which totally ignores the discussions that went on for four years as well as the nice words of the President of the Treasury Board. I think the government is showing us its true face. We are seeing the insatiable appetite of the Minister of Finance, who wants to put his fiscal house in order at the expense of these workers.

It is easy to understand. The government has taken everything away from fishers and from victims of the lack of jobs, those people who used to be eligible to some unemployment insurance benefits, now known as employment insurance benefits. It has taken \$20 billion from that program. Where to go from here? Wherever there is a little bit of money left. It is now turn to its own workers and alienating them. It will steal \$30 billion from its own employees' pension funds.

It may seem somewhat odd that a Bloc member rise in this House on a principle and ask the government to come back to its declaration of intent of February 1998 with respect to developing a partnership with its employees. It may seem unusual because some people contend that all we want to do is to leave and slam the door behind us. I wish people would at least remember that, while the Bloc Quebecois was represented in this place, they were men and women of their word. We would wish that, when an issue arises, it be discussed openly, and not behind closed doors.

I am happy to see that my comments today are waking up members across the way. However it is unfortunate that we have to rise our voices from time to time. I can do it and I will do it.

What I find even more horrendous is the similarities between what is being done today and what was done to those who rely on the financial support provided through the employment insurance. They were robbed of \$20 billion and now the same thing is going to happen to others.

If, at least, the government said it was going to use that money for equalization purposes, or take a part of that money so that less

Government Orders

money has to be taken out of the employment insurance fund. Public servants are fortunate enough to have a job; financial support should be provided to those who fall victim to the lack of job opportunities, or at the very least the money should be used to reduce workers' contributions and to create new catalysts to revitalize the economy in severely affected regions.

• (1510)

We hear speculation that the finance minister will use it to pay down the accumulated deficit. That would be nice, but can someone tell me what good it would do to pay \$30 billion on a debt now reaching some \$600 billion? Especially since, according to the documentation I have received, these payments would be spread over a period of 15 years. I am a bit skeptical about this whole thing.

The second question we should ask ourselves—and I am not saying that it should not be done—is: How will the payments be calculated or estimated so that they have as little impact as possible on the exchange rate? We know full well that when the finance minister turns on the tap to pay off accumulated debts we owe to other countries, the next morning, Canadians will realize that they have not only been paying toward this debt, but they will continue to pay, because the exchange rate is dropping and they will have to pay more for imported goods.

The Bloc Québécois wants the President of the Treasury Board to redeem himself, to face up to the Minister of Finance, who seems to carry more weight than him within the Cabinet, and to come to an agreement with the three groups concerned. An agreement should be negotiated with the public service, the Royal Canadian Mounted Police and the Canadian forces.

Otherwise, what signal would we be sending out to Canadian corporations? If the Canadian government sets an example by taking money out of the public service pension plan, what will prevent Canadian corporations from doing the same with the accumulated surpluses in the pension plans of their own employees? This is the example it is about to set. It could be hazardous.

There have been lawsuits. I will let my colleague from Saint-Jean elaborate on that. But we will recall that that is precisely what the Singer Company did. The case is still before the courts, but I have yet to see the Minister of Human Resources Development put pressure on the company and tell it "You were caught helping yourself to your employees' pension fund". Apparently, the case has not yet been settled. With Bill C-78, the President of Treasury Board is legitimizing a \$30 billion robbery.

When I was knee-high to a grasshopper, whenever a kid from the neighbourhood was caught stealing candy from the pot at the convenience store—sometimes the general merchant would keep in a corner the extra candies he could not find place for on the shelves—that kid was called thief.

Today, a man who may have done the same thing as a kid—because we were all kids at one point—is stealing \$30 billion and we call him Mister Minister. Furthermore, we are expected to say "Thank you very much".

What Canadians should do now is pay very close attention to what the President of the Treasury Board is doing. They should monitor the adoption process of this bill. Of course we cannot put pressure on a government between elections. I hope however that people will remember who turned the tap off, who stole \$30 billion, who gave such a bad example to Canadian businesses, which will no doubt feel free to help themselves to the private pension funds of their employees.

We should keep an eye on that—

Mr. Denis Coderre: Madam Speaker, on a point of order. I am quite prepared to respect everybody's ideas, but there is no thief here. Nobody has stolen from anybody. We can exchange opinions, but I believe the word "stealing", as the member used it twice, is unparliamentary.

• (1515)

The Acting Speaker (Ms. Thibeault): I must admit that the member who just spoke went a little too far. I ask him to be more judicious in his choice of words.

Mr. Yvan Bernier: You are indicating that I have only 30 seconds left. In such a short time, there is no other way I can describe somebody who takes something that does not belong to him. It is still stealing.

[English]

Mr. Peter Mancini (Sydney—Victoria, NDP): Madam Speaker, I appreciate why my hon. colleague who spoke just prior to me became so upset. I will not use the same words unless I get as upset as him, but what we see today is a government embarking upon the taking of money that belongs to Canadians.

We have to ask some fundamental questions about Bill C-78 at second reading. What does the bill do and to whom in the Canadian community? Let us talk about what it does. It takes the proceeds of pensionable earnings and reinvests them in the way the government wants instead of returning the money to individuals.

It is important for people to understand that the government can take the money, invest it or do with it whatever it wants. That means investing that surplus in multinational corporations or in whatever way the government would choose, not necessarily in the way the people who have paid into the fund would like to see the investment take place.

Let us ask who is affected. It includes everyone who has ever worked for the public service. Military personnel, the people who

Government Orders

are currently fighting in Kosovo, the peacekeepers who have done the country proud and have ennobled the nation, are affected. The RCMP is affected. People who keep our streets safe and keep peace, order and good government are affected. The widows of our public servants are affected. There is an old saying in the Bible about taking the widow's mite. Those women are affected and women who have worked in the public service whose average annual pension income is about \$9,600 are affected.

We are not talking about multimillionaires who are affected by the legislation. We are talking about average workers who have worked hard for their country in public service. They are the ones who are affected.

What will the legislation do to them? It certainly will not pay back to them the surplus from the funds invested by their hard work. We are opposing it because there is no provision to give this money back to the workers. The women earning \$9,600 annually from her pension will not benefit from the government bill. In fact she will suffer directly because of it. Money that could go to improve her standard of living will instead go to whom? Perhaps the government could answer that question for us.

What does the bill say about priorities? What does it say about the government's commitment to community economic development? I will speak from my own riding's perspective because the vast majority of people in my riding are seniors.

Because of government policy many young people in the Atlantic region and in northern regions of the country leave for areas of high employment because of the high unemployment in those areas. That leaves retirees in those communities. That leaves in those communities people like the individuals I have already mentioned: people in the RCMP, military personnel who retire in the Atlantic region, widows of those who have worked for the public service or other retirees.

Because of changes to the employment insurance act in my own riding over the last seven or eight years over \$30 million has been taken out of the economy in the form of employment insurance because of cuts.

• (1520)

The government now has an opportunity to say to the retirees in my community and in like communities across the country that it has a huge surplus in the pension fund and will make sure those people who paid for it reap some of the benefits.

If those people reap the benefits, then so do the small business owners on main street of every city in the country where there are retirees in the population. Those retirees will take the additional funds, to which we in the NDP believe they are entitled, and will invest them in their communities through purchasing power. This will create jobs in small communities and ensure the survival of small communities to some measure.

It is a small step the government could take to establish its commitment to economic survival of small communities. Unfortunately the government lacks either the courage or the foresight to take that step, or it is simply not a priority for it to ensure the survival of small communities by making sure that people who have lived in those communities all their lives or retire to those communities reinvest a part of the surplus to which they are entitled in those communities.

Many things could be said about the legislation. The government will say that the opposition is being unduly harsh and critical of the bill, is nit-picking at the bill, and perhaps not giving as clear an indication as it might. There is an opportunity for the government to rebut, but the government has chosen to invoke closure yet again on a most important piece of legislation.

If members of the opposition are somehow distorting the facts, if we are somehow incorrect, I challenge the government to put the bill forward and allow proper time for debate so that it can rebut the arguments we put forward. The government does not want to do that and we have to ask why. I think it is because the arguments put forward by members like me, by members of my party who oppose the bill, and by other members of the opposition cannot be rebutted by the government.

Why else would it shut down debate on an incredibly complex piece of legislation after four hours? This is the Kraft Dinner way of making law: put it in the microwave, turn it on for 30 seconds and hope it is done. We are not making a Kraft Dinner. We are making fundamental changes to legislation which affects individuals in every part of the country.

If we are incorrect in our analysis of it, I dare the government to come forward with its own facts and figures to rebut us. Rather than do that, it closes down debate. This is the second time I have had to address and bring the government to its heels on the issue of closure. The last time had to do with fundamental complex legislation.

It is not as if parliament does not have time to debate it. We spend hours in the House on many different pieces of legislation. When it comes to investing and taking money from a fund, the government does not want to talk about it. It invokes closure. I have not used the other word, but I am simply saying that the government is taking funds from something into which Canadian taxpayers have paid and to which we believe they are entitled.

Parliament was designed so that representatives of communities across the country could debate serious issues. This is among the most serious. When the government is playing with the financial gain of the workers of the country and we limit it to four hours debate, it is disrespectful of members of the Canadian public because it is their money, future and investment upon which we are limiting debate.

The bill talks to three issues. First, it talks about whom the government sets as a priority in its thinking. It is not the men and

Government Orders

women of the public service, the surplus of whose pension funds is being taken away from them.

Second, it speaks to the priorities of the government in terms of community economic development. Clearly that is not a priority because we could reinvest those funds back into smaller communities.

• (1525)

Third, it speaks to the government's commitment to democratic debate in an open forum. Sadly the government's record on that issue is a failure.

On each of those counts I am afraid we have to give the government a failing grade. We are not alone in this regard. If we look at newspaper articles or happen to walk around Ottawa these days, we see normally mild mannered Canadians who respect the law and parliament carrying placards. They would just as soon be at work or at home getting their gardens ready. I am sure this is happening in other cities.

They know something is fundamentally wrong. They know the government is taking their money. They know they are entitled to the benefits. They are just making enough money to survive. They want to reinvest that money in their own families and their communities. It is a shame the government will not let them, and it is a shame it will close debate on this issue.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Madam Speaker, I feel duty bound to speak to Bill C-78. For the benefit of those who are watching the debate, it should be pointed out that this is a bill enabling the federal government to take the surplus in the superannuation funds of public service employees, the Canadian forces and the RCMP.

Furthermore, it is aimed at changing the rules and preventing employee representatives from sitting on the board that will be setting the terms of their future retirement.

It is especially offensive that unionized public service employees and other employees who have their associations should not have their say in the management of their pension plan. It is beyond me.

Having been a public sector union representative in the past, I was involved in negotiations on the management of pension plans. The Quebec government agreed to share the management of these plans with the employee representatives. In the private sector, unionized companies are doing the same thing, by and large. It is perfectly natural that employees who contribute to the plan should have their say in the management of the fund and of surpluses.

In the present situation, actuaries tell us there is a \$30 billion surplus, which is definitely not a small amount. If we take into

account all participants in these plans, present employees and retirees included, we have over 340,000 people.

An amount of \$30 billion is enormous, when one thinks about the surplus that has accumulated in the EI fund at the rate of \$5 or \$6 billion a year. Since the EI reform, all working Canadians contribute to the fund. But members should view the surplus in the public service funds in light of the fact that it took only four years, at a rate of \$6 billion a year, to accumulate the current surplus in the EI fund. This means that the \$30 billion amount is truly enormous. And it is a surplus.

• (1530)

The government wants to use the surplus as it sees fit in spite of the fact that workers contributed to it. The government says "Should the fund run a deficit, the government would be on the hook". However what the government fails to say is that historically—and this is an important fact—between 1924 and 1998, government contributions represented only 48% of all contributions.

It means that the government has no right to take this \$30 billion surplus, even though there is nothing in the law that supports the employees' position.

But there is more. Given that a large proportion of this surplus comes from interests paid on these huge amounts of money, it becomes even harder to understand the government's decision to use this \$30 billion as it sees fit. To what use could this \$30 billion have been put if the fund had been jointly managed, if the government had recognized it had no right to use this money for its own purposes? What could have happened? For one thing we could have improved benefits for a particular class of present or future retirees, or we could have decided to put the money to some other use.

Let us not forget that when Quebec was facing budget problems—as other provinces did—public service unions agreed to negotiate with the government the use of pension surpluses to help reduce the deficit.

This is therefore unconscionable, because the government has no right to take this money. It must be said. Some of my colleagues say it differently, but I say the government has no right to take all this money.

The second point I want to make is that this bill shows how the government is incapable of coming to an agreement with its employees, of recognizing that its employees are represented by unions or associations and that these unions or associations speak on behalf of employees and defend their interests.

The government is incapable of providing for a pension plan where the interests of employees will be taken into account. It is rather offensive—and this is the second time I use the word—that the government is planning on appointing the members of the committee that will defend the interests of employees. Will

Government Orders

employees have adequate representation on this committee? Will a third of the members represent employees? No.

One of the eight members of this committee will be selected by the minister from among federal pensioners. Employees will not even have the opportunity to select their own representative. There is something wrong with the fact that this government is incapable of recognizing that employees should have a say with regard to the contributions they pay into their own pension plan.

Why should they have a say? Because, in this bill, the government is forcing the funds to invest in the financial market. This argument was not used very often. The government is saying that, from now on, the money from these pension plans will be invested in the market, with, of course, a percentage that the committee will have to be set aside to buy government bonds.

• (1535)

It states further that this is required for the sole purpose of maximizing returns. In today's world, if pension funds must be invested in the financial market, there could very well be transactions that the employees would not approve of.

Return on investments is not the only aspect to consider. More and more, in the face of disturbances caused by the financial markets in several countries, people are realizing that they cannot invest their money any which way, with maximum return as their only criterion. If employees are not involved in the management, they do not have any say in the matter.

I summarize. The government cannot legitimately use the \$30 billion as it sees fit because employees did pay their contributions. At least half the surplus should be given back to them, and they should be consulted on how the money should be used and be involved in the decision making process.

Second, it is not normal that, unable to reach an agreement with its employees, the federal government would then decide that the pension funds, including the surpluses, will not be managed jointly.

Third, it does not make sense that the government would decide to invest these funds on the financial market without consulting the employees.

I find this hardly surprising, given that the government is unable to deal with anyone in a fashion other than authoritarian.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Madam Speaker, I am very pleased to speak on Bill C-78, an act to establish the Public Sector Pension Investment Board.

I will try to share with my colleagues the views my constituents of Berthier—Montcalm have expressed about this bill. They had some very serious comments to make.

They said that this bill is another indication that the Liberal government is having trouble understanding that the working men and women are sick and tired of paying for the policies of this government, which prefers to take the easy way out.

As some of them told me "You do not need to be a rocket scientist to come up with such bills or to balance the budget the way the Liberals did it".

When they needed money, what did they do? They helped themselves to the workers' contributions. When they needed more money, they cut transfer payments to the provinces, which means that the provinces are also paying part of it. Then they needed even more money and increased indirect taxes. They hid these increases in the budget. Now, they still need more money, so they are getting ready to take it from their workers' pension plans. This is totally unacceptable.

Workers are tired of seeing the government brag, especially with all its usual arrogance.

Bill C-78 is just one more bill in the long line of government measures that could be called "systematic pillage". For several years now, the government has misappropriated funds belonging not only to Canadian workers, but also to Quebec workers.

The government has a simple strategy: spend in provincial jurisdictions by using surpluses from large funds established by workers. If the government at least abided by the Canadian Constitution—which Quebecers have not even signed—there would be less spending than there is now. The government would not be forced to take \$30 billion from the pockets of workers.

After misappropriating the surplus in the employment insurance fund, the Liberal government is now going even further and grabbing the accumulated surpluses in the public service employees' pension funds.

The debate on Bill C-78, like the debate on the employment insurance fund, should be an opportunity to condemn the government's arrogance. It is a matter of respect for the thousands of workers who have worked all their life to secure the financial future to which they and their family are entitled. More than 487,000 retired contributors or their surviving spouses will be affected by the bill, without their opinion having really been taken into account.

• (1540)

These people will be subjected to measures which, according to the President of the Treasury Board himself, should have been negotiated and on which workers should have been consulted. I remind members that not so long ago, in February 1998, the President of the Treasury Board had proposed consultations on the pension plan.

He said, and I quote:

Consultations could lead to a partnership which would introduce in the public service the concept of a management board acting at arm's length from the government.

I stress the expression at arm's length, because it is extremely important.

The bill before us makes no provision for partnership. I do not see how the government can claim that the bill establishes some sort of partnership with the members of the public service. Bill C-78 is a unilateral act that permits the government to dictate the rules of the game.

The members of the Public Service Alliance and the Professional Institute of the Public Service are right to protest the way in which the government is preparing to appropriate their assets. I agree with the remarks of the alliance, which said, and I quote:

We can certainly not sit back and watch this government unilaterally take money out of the pockets of the contributors.

Not only is the Liberal government appropriating accumulated surpluses, but Bill C-78 prepares the way for future surpluses. In fact, in addition to taking the some \$30 billion accumulated in the various public service pension plans, clause 96 of Bill C-78 will allow the government to take the surpluses of future plans.

Let us not forget that the advisory committee on the Public Service Superannuation Act noted, and I quote:

The Committee's view is that the allocation of surplus should be in accordance with recommendations of the pension management board.

The same committee stipulated that all special negotiations on the subject had to recognize pensioners' interests.

Not only is the government blithely helping itself to something that does not belong to it, but Bill C-78 also proves that it is completely ignoring the recommendations made by the advisory committee in 1996.

This is typical of the Liberal government. It examines issues, keeps its backbenchers busy, produces wonderful reports, pens lovely letters, and comes up with great discussion topics, but it takes none of this into account when it comes time to deliver the goods.

This government's arrogance can also be seen in the provisions concerning the establishment of the public sector pension investment board. The provisions of Bill C-78 must be completely overhauled.

Once again, the government shows that it is incapable of taking workers' interests into consideration. Its bill does not guarantee sufficient worker representation on the board's board of directors. Let it be noted that the advisory board clearly recommended that six of the board's directors represent employers and six represent workers.

Government Orders

Bill C-78 has a number of other shortcomings. As my time is running out, I will only mention some of them.

For instance, the bill does not allow the board to establish independently the percentage of funds that must be held available for investment in Government of Canada bonds. Clause 50 provides that the governor in council may make regulations respecting the limitations to which the board is subject when it makes investments.

By setting too high a percentage of funds to buy government bonds, the government could significantly reduce the board's ability to achieve rates comparable to those of other pension funds.

In conclusion, I hope the government will support the very legitimate amendments proposed by the Bloc Québécois, which reflect what we heard from our constituents, in our ridings across Quebec.

The government would be well advised to take a serious look at these amendments. It should leave aside its tendency to indulge in petty politics and see the serious nature of our proposed amendments.

• (1545)

Again, these amendments did not come out of the blue, but from workers in Quebec—because, as Bloc Québécois members, we work hard to protect the interests of Quebeckers—who came to meet us, and who want to see these amendments included in the bill. We cannot sit idly and let the government misappropriate \$30 billion without saying anything. No way.

As one of my constituents said, "Tell the minister, if you see him"—and I do now—"that he should keep his hands in his own pockets. That way, we will be sure he is not going to take money out of our pockets". This says it all. People in Quebec and the rest of Canada are fed up with this government, which takes money out of their pockets whenever it feels like it, for its own purposes.

By supporting our proposed amendments, the government would make honourable amends for its lack of respect toward public service employees. In fact, the least this government could do is to take into consideration the advice and opinion of those who are entitled to the content of the funds that it is about to steal from.

[*English*]

Ms. Bev Desjarlais (Churchill, NDP): Madam Speaker, I am pleased to join the debate on Bill C-78.

The intent of this bill was to improve the financial management of the three major public sector pension plans as well as to make technical changes. I am convinced that if the intent of the bill was strictly to improve those pension plans, the government would have the undivided support of all members of this House rather than just its own.

Government Orders

The bill will affect the RCMP, the armed forces and federal public servants. It will also establish a new plan for Canada Post employees at a future time.

With this bill the government has failed to truly take part in improving the benefits for all persons involved. As far as the discussion on the surplus is concerned, the government will argue that the surplus is strictly its own. It has come to be acknowledged in Canada and in a good many countries that when workers and employers invest into plans for the workers, if there is a surplus it is a shared surplus. In private business within Canada that is the acceptable road to go.

The government has once again failed to truly support the workers who in many cases give their lives for this country. The government has failed to commit to the pay equity process over the last 14 or 15 years. There has been a lot of rhetoric about how it believes in pay equity and a whole spiel of things. The government comes out with wonderful sayings but when it gets down to the brass tacks of things, it does not come through.

Once again the government has said to public sector workers in Canada and to all the others who are affected that they really are not valued and the government is not going to put anything extra into that plan, even though women will retire from the public service with a wonderful pension plan of \$9,600 a year. This does not seem to be the infrequent case. It affects too many members. Those persons will have no opportunity to have further benefits from that pension plan.

In reality this bill will increase premiums at some point but the government will still be responsible for deficits in the plan. The Government of Canada did not want to have this deficit hanging over its head. The government is using the deficit of the public service pension plan as a ploy to get the deficit down, get rid of the pension plan and have it looked after by another medium.

However, the government wants to use the surplus to offset the government deficit. Meanwhile it is using the money to offset the deficit saying there is a surplus within the government. The government has been playing a shell game with the book figure on the public service pension plan surplus.

• (1550)

Another area within this bill that certainly could have used an improvement was in regard to the board. My hon. colleague from the Bloc has just mentioned that it will not ensure representation by the workers or the members involved in the plan.

Certainly on the advisory board different groups will have an opportunity to be represented. The advisory board can make recommendations of names, but the minister does not necessarily have to accept those names. I have seen situations where names have been put forward and the minister says, "No, I do not want that person". Another name goes forth and another name goes forth

until the minister possibly will have the board that he or she so chooses.

Sadly in a good many situations what ends up happening and what has led to a lack of credibility and no longer a show of support for a number of good organizations, is there are political appointments. The minister may not end up on the board or maybe not his cousin right now, or a former minister but there is the opportunity for other political appointments from political parties, somebody's wife, a minister's wife ending up on the board. There is nothing to restrict those kinds of things from happening.

Those types of issues have made Canadians leery of politicians and the whole process. As a result we all suffer from the lack of credibility the Canadian public will show for government and for all politicians.

Another area that has been of concern, and I am glad we have put forth an amendment to address that issue, is that the funds will be invested through the normal investment process, the market. There is a real situation arising and the workers, or individual Canadians who are part of these plans, may see their dollars being invested in companies such as Imperial Tobacco.

We are fighting so hard to decrease the number of kids who are addicted to tobacco. We are fighting the dollars that go into the tobacco industry as best we can. This is not because we do not believe there can be some kind of an industry with tobacco products. It is because we do not believe companies should be selling the product as healthy and that it is okay to smoke. Suck it in, end up sick, die, and the health care system is going to pick up the tab. As we fight that in parliament, the pension dollars will be at risk of being invested in those same companies as they sell their products in countries that maybe will not succeed in putting in some of the laws and regulations that I hope we are able to do to protect our citizens and certainly our youth.

Tobacco is an issue but there are others, to say nothing of companies that make arms or land mines, for that matter. Is there some way we can ensure that no dollars within these pension funds are going to support companies that are producing land mines? We are fighting the battle to have land mines banned throughout the world. We cannot get the U.S. to come on board. Can we ensure that these pension dollars will not be invested in those companies?

Unless we can ensure that happens, I think we are failing Canadians and the people in these pension funds who do not want their pension dollars to go to those companies. That is a major issue.

Some people do not think that ethical funds can survive or have an extra dollar put in their pockets. I would suggest that the people who strongly support ethical funds, if it were a difference of a dollar or so, quite frankly if it were a difference of a whole lot of dollars, they would still stand behind the investment in ethical funds. They should be given the opportunity to ensure that dollars

coming out of their pension plan can be invested in ethical funds. That is an absolute must within this bill.

The mutualization of funds is taking place in some companies. The investor I deal with actually was shocked when I asked what was going to happen with the dollars that we had in our funds and whether he was going to ensure that they were invested in ethical funds. The question had not come up. He was taxed with the process of finally having to check to see what exactly could be done.

I can say quite frankly, if it were my dollar, I would not want it being invested in tobacco companies, land mine companies, or any kind of company that is not doing what is best for people worldwide. If we want to talk about globalization, then let us show a real interest and support for globalization in expecting the same things for Canadians and people all over the world.

• (1555)

The government's move for closure on this bill is really disappointing. It is not allowing a thorough and proper debate on an issue that affects so many Canadians. It was brought about quickly, it was slammed through committee quickly. Closure having been brought in did not allow Canadians overall and those affected to hear about this. Some have heard but others are just realizing now that their pension dollars are going to be affected. The government needs a little slap on the wrist again for invoking closure and for not allowing proper debate on an issue so important to the people investing in these pension plans.

I would encourage all members of this House to support the amendments which will at least give this act some credibility.

[*Translation*]

Mr. Odina Desrochers (Lotbinière, BQ): Madam Speaker, I am pleased to rise today to take part in the debate on this bill to establish the public sector pension investment board.

It is another measure designed to allow the Liberal government to take money from taxpayers. This government is very consistent. It always has a scheme to appropriate funds, and the one who designs these schemes is the Minister of Finance. Members will recall that, in recent months and recent years, it was the Minister of Human Resources Development who designed a scheme to take money from the unemployed. This resulted in a surplus of some \$26 billion.

We know what the federal government did with these \$26 billion. It created programs to interfere, once again, in areas under provincial jurisdiction.

This time, the Minister of Finance has called on another one of his accomplices to help him, and that person is none other than the President of the Treasury Board. He has asked him to find another way to grab funds. This scheme will allow the Liberal government

Government Orders

to get its hands on \$30 billion, and that money will not come just from anywhere: \$14.9 billion will come from the public service pension plan, \$2.4 billion from the RCMP pension plan and \$12.9 billion from the Canadian forces pension plan.

The most frightening thing about this scheme is that, once again, the Minister of Finance and the President of the Treasury Board did not hold any consultations regarding Bill C-78.

What do we see in this bill? We see that the President of the Treasury Board has ignored his commitments, just as the Liberal government has been doing since it came to power in September 1997.

How is the board going to be managed? Members should listen to this: the Liberal government, through its ministers, will appoint board members. First the chairperson will be appointed by the President of the Treasury Board in consultation with the other departments concerned.

The consultation will not take long, all they will have to do is check whether the nominee is a card carrying Liberal, how much he or she contributes to the Liberal Party coffers, and whether he or she approves the Liberals' mistreatment of the poorest of the poor. This is the main criterion.

Two members will be appointed by the President of the Treasury Board on the recommendation of the advisory committee. One will represent public service employees. Again, very partisan appointments, which will not represent the interests of the parties concerned by Bill C-78.

Then there will be a member chosen by the minister among pensioners.

• (1600)

Again, they will check whether the nominee belongs or contributes to the Liberal Party. This is how the government goes about making appointments.

In short, this means the government is once again poised to create a new Liberal commando that will take all necessary steps to attack the surpluses in three pensions funds.

It is very sad to see how the government has been operating lately. Furthermore, it is giving a bad example because, if it is going to unilaterally take money from pension funds of the three plans I have mentioned, there will be people in the private sector who will be encouraged to do the same, which could put at risk the surpluses in the pension funds of several dozens of employees. The federal government's action could have bad consequences for workers in Quebec and in Canada.

There is nothing much positive in this bill. We see once again the government using its old methods to take money from the poorest. Federal Liberals were very successful at this with the employment

Government Orders

insurance fund, and they are ready to do the same with this bill to establish the public sector pension investment board.

How can we get federal Liberals to listen to reason? How can we make the people opposite understand common sense?

The more we move into this arrogant system, this authoritarian system that does not respect anything and that develops a more and more centralizing government, the more we see it ignores all jurisdictions, all institutions and all things that were established in the last 10 years.

To take the money it wishes to have at its disposal to implement more partisan programs, the government is prepared to do anything. It is prepared to invade all areas of provincial jurisdiction and private sector areas to raid billions of dollars.

If the President of the Treasury Board does not support the amendments put forward by the Bloc Québécois, then my party will certainly reject out of hand the establishment of this public sector pension investment board.

We will vote against this bill, unless the government takes the time to go over our amendments. Given the way the Liberal government is behaving, the way it respects democracy and listens to the people, I fear that Bill C-78 will give them even more power to take money out of the pockets of taxpayers, of people who have worked hard and have served the government for many, many years.

To reward them, the government is taking money they have earned through their hard work and using it for some unprecedented propaganda, probably some programs to demonstrate once again how generous the government is, when its generosity is only about appointing its friends to manage this new board and extending a helping hand to Liberal supporters.

There was no consultation. Board directors will be appointed by ministers. Bill C-78 has me very concerned and I will definitely vote against it.

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Madam Speaker, I shall continue in exactly the same vein as my colleague, who gave a most informative speech, which I hope will strike a responsive chord on the government side, because I believe the hon. member for Lotbinière has really pointed out what is at stake.

• (1605)

I would have liked to vote in favour of the legislation. It contains an important provision which is close to my heart and which is something I have been fighting for over the past few years, that is the recognition of same sex spouses. I cannot, however, vote in favour of this bill. There is not one member of the Bloc who can vote in favour of the bill because it is unfair.

I believe if there is one thing that characterizes the government's actions, it is the total disrespect it has for its public servants. What we are asked to vote for is not insignificant. We are asked to pass legislation that will create the public sector pension investment board.

Of course, we would have expected that such a bill would have been arrived at as a result of the broadest possible consensus. If there is something sacred in democracy, it is the way we treat public servants who, as members know, are at the service of their fellow citizens. Often, public servants earn \$28,000, \$30,000, \$32,000 or \$35,000 a year. I am not talking about the mandarins. The majority of public servants I am talking about here are honest employees who work hard for their money. The government says their pension funds are none of their business.

If the government had been serious about establishing good public relations and harmonious labour relations, we would have before us a bill establishing a joint management board where Treasury Board and union representatives would work together, discussing the best ways to spend the money in the pension funds, particularly the surpluses.

The main purpose of the bill is to approve a mandate that would give the government authority to unilaterally appropriate the surpluses in the three plans.

We are talking about a total surplus of close to \$30 billion. I will be more specific. There is the public service pension fund, with \$14.9 billion; the RCMP pension fund, with \$2.4 billion; and the Canadian forces pension fund, with \$12.9 billion. Workers have contributed to these pension plans. That kind of money does not grow in trees.

If workers have contributed to these pension plans, how is it that they are not consulted when the time comes to use these funds, especially when there are surpluses, since this is what we are talking about.

We all know that ultimately it is a matter of respect for Canadian workers. There are now 275,000 contributors in these plans. That is a lot of people. There are certainly a few of those workers in your riding, Madam Speaker. There are some in Hochelaga—Maisonneuve, in Lotbinière, in Saint-Jean and in Châteauguay. They are honest workers who have contributed to their pension plan and who, under the provisions of this bill, will not be consulted about the use of the surplus.

Earlier, a member took offence at the fact that some of my colleagues used the word "stealing". It is true that the word "stealing" is very significant. It is true that we should use it most sparingly. Members know how careful the members of the Bloc Québécois are with words.

However, Madam Speaker, I wonder if you could suggest another word because I cannot find any other to describe an action

by which someone pinches, appropriates, uses or grabs funds that belong to someone else.

• (1610)

Madam Speaker, if you think that this is not stealing, then I think the issue will have to be referred to the French Academy or the French Canadian Academy. From our point of view, when someone uses something that does not belong to him, I believe that we as an opposition party, have no other choice but to talk about stealing.

We are not dealing here with pilferage, or shoplifting. This type of action is comparable to what highwaymen did when they robbed people of all their hard earned possessions.

I am convinced the word used by my colleague—and I say this with all due respect—was the proper term.

The saddest thing about this bill—and I think I am right but the member for Saint-Jean can correct me if I am mistaken—is that I believe there were negotiations that went on for three years. Three years of negotiations cannot be simply brushed away and completely ignored in the balance that must be achieved in managing the public service in a responsible way.

The question I ask all the government members in the House is this: why not follow the model that exists in many other areas where everything associated with labour relations is done jointly? It is the Quebec model: the various parties sit own at the same table, employers, public servants, union representatives and, of course, the workers themselves. They try to find solutions and they succeed.

From what we can see in the structure proposed by the President of the Treasury Board—and we have no reason to question his personal integrity at this time, that is not what this is all about—why is he letting himself be sucked in by his government when he should be the staunchest defender of public servants in parliament?

Why is this minister, who, I repeat, should be the defender of public servants' rights, letting himself be completely blinded by his government and why is he accepting to sponsor a bill that will steal from these workers part of the surpluses that rightfully belong to them? I will remind members once again that this money comes from contributions paid by the workers.

The member for Longueuil, who knows this issue well and who will certainly rise to take part in this debate in a few minutes, tells me to remind you that clause 10 is quite important. This is no time to be reading the newspaper. I see some members doing that, but I would ask them through you, Madam Speaker, to listen to what I am saying.

Clause 10 says the President of the Treasury Board shall establish a committee of eight members to make a list of candidates from which the 12 directors of the board will be selected. This means that no union representative will be appointed directly under this bill. This is the tragedy of this bill.

Government Orders

Members know full well that the government will appoint people who embrace its philosophy and who share its views. There is a term to describe this kind of practice: it is called patronage.

I see that my time has expired, Madam Speaker, so I ask you to recall the bill and to ask the pages to take up all the copies.

• (1615)

[*English*]

The Acting Speaker (Ms. Thibeault): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Ms. Thibeault): The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Ms. Thibeault): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Ms. Thibeault): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Ms. Thibeault): The recorded division on the motion stands deferred. The recorded division will also apply to Motions Nos. 5 to 7, 14, 31, 40 and 48.

The next question is on Motion No. 2. Shall I dispense?

An hon. member: No.

[*Editor's Note: Chair read text of motion to the House*]

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Ms. Thibeault): All those opposed will please say nay.

Some hon. members: Nay.

Government Orders

The Acting Speaker (Ms. Thibeault): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Ms. Thibeault): The recorded division on the motion stands deferred. The recorded division will also apply to Motion No. 12.

The next question is on Motion No. 3. Shall I dispense?

An hon. member: No.

[*Editor's Note: Chair read text of motion to the House*]

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Ms. Thibeault): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Ms. Thibeault): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Ms. Thibeault): The recorded division on the motion stands deferred.

The next question is on Motion No. 4. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Ms. Thibeault): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Ms. Thibeault): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Ms. Thibeault): The recorded division on the motion stands deferred. The recorded division will also apply to Motion No. 11.

The next question is on Motion No. 8. Is it the pleasure of the House to adopt the motion?

• (1620)

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Ms. Thibeault): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Ms. Thibeault): In my opinion the nays have it.

And more than five members having risen

The Acting Speaker (Ms. Thibeault): The recorded division on the proposed motion stands deferred.

The next question is on Motion No. 9. Shall I dispense?

An hon. member: No.

[*Editor's Note: Chair read text of motion to the House*]

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Ms. Thibeault): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Ms. Thibeault): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Ms. Thibeault): The recorded division on the motion stands deferred. The recorded division will also apply to Motions Nos. 10 and 13.

The next question is on Motion No. 32

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Ms. Thibeault): All those opposed will please say nay.

Some hon. members: Nay.

Government Orders

The Acting Speaker (Ms. Thibeault): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Ms. Thibeault): The recorded division on the motion stands deferred.

We will now move on to Group No. 2.

Mr. Eric Lowther (Calgary Centre, Ref.) moved:

Motion No. 15

That Bill C-78, in Clause 53, be amended by replacing line 9 on page 29 with the following:

““surviving spouse” in relation to a contributor, means”

Motion No. 17

That Bill C-78, in Clause 61, be amended by replacing line 19 on page 38 with the following:

“under this Part to the surviving spouse and children of”

Motion No. 18

That Bill C-78, in Clause 62, be amended

(a) by replacing line 12 on page 40 with the following:

“payable under this Part to a surviving spouse or child,”

(b) by replacing line 24 on page 40 with the following:

“surviving spouse has become entitled under this Part to”

(c) by replacing lines 33 and 34 on page 41 with the following:

“(b) a benefit to which a contributor, surviving spouse or child is entitled under this Part or Part”

Motion No. 19

That Bill C-78, in Clause 64, be amended

(a) by replacing line 38 on page 42 with the following:

“annuity or an annual allowance, the surviving spouse”

(b) by replacing line 4 on page 43 with the following:

“(a) in the case of the surviving spouse, an immediate”

(c) by replacing lines 10 and 11 on page 43 with the following:

“without leaving a surviving spouse, the surviving spouse is dead or the surviving spouse is not entitled to receive”

(d) by replacing lines 17 and 18 on page 43 with the following:

“died without leaving a surviving spouse, the surviving spouse is dead or the surviving spouse is not entitled to receive”

(e) by replacing line 26 on page 43 with the following:

“(2)(a) or (b), the surviving spouse and children of the”

(f) by replacing line 42 on page 43 with the following:

“1967 of less than five years, the surviving spouse and”

(g) by replacing lines 15 to 17 on page 44 with the following:

“service, the surviving spouse and children of the contributor, in any case where the contributor died leaving a surviving spouse or a child less than”

Motion No. 20

That Bill C-78, in Clause 65, be amended

(a) by replacing line 29 on page 46 with the following:

“the surviving spouse and children of the contributor”

(b) by replacing lines 37 and 38 on page 46 with the following:

“more years of pensionable service, the surviving spouse and children of the contributor are entitled”

Motion No. 21

That Bill C-78, in Clause 75, be amended

(a) by replacing line 4 on page 50 with the following:

“the surviving spouse and children of a contributor are”

(b) by replacing line 7 on page 50 with the following:

“surviving spouse except that”

(c) by replacing line 11 on page 50 with the following:

“payment is to be made the surviving spouse is dead”

(d) by replacing lines 17 and 18 on page 50 with the following:

“for died without leaving a surviving spouse or at the time payment is to be made the surviving spouse”

(e) by replacing lines 27 to 29 on page 50 with the following:

“surviving spouse at the time payment is to be made, the total amount shall be paid to the surviving spouse and the children so living apart in”

(f) by replacing line 32 on page 50 with the following:

“stances, or to the surviving spouse or any of the”

(g) by replacing line 37 on page 50 with the following:

“to be made the surviving spouse is dead or cannot be”

(h) by replacing line 39 on page 50 with the following:

“leaving a surviving spouse and at the time the”

Motion No. 22

That Bill C-78, in Clause 75, be amended

(a) by replacing lines 8 to 14 on page 51 with the following:

“(2) If there are two surviving spouses of a contributor, the share of the total amount to be paid to surviving spouse referred to in paragraph (a) of the definition “surviving spouse” in subsection 3(1) and the share to be paid to the surviving spouse referred to in paragraph (b) of that definition shall be paid as the Minister may direct.”

(b) by replacing line 17 on page 51 with the following:

“the share of one or other of the surviving spouses under”

Motion No. 23

That Bill C-78, in Clause 75, be amended by replacing lines 27 to 42 on page 51 with the following:

“(4) For the purposes of this Part, where a contributor dies and the contributor had been, for a period of not less than one year immediately before the contributor’s death, residing with a person of the opposite sex to whom the contributor was not married, the Treasury Board may deem that person to be the surviving spouse of the contributor if, during that period, that person had been publicly represented by the contributor to be the spouse of the contributor, and may deem that person to have become married to the contributor on the day established by that person to the satisfaction of the Treasury Board as being the day on which the representation began.

(4.1) For the purposes of this Part, where a contributor dies and, at the time of death, the contributor was married to a person with whom the contributor had been residing for a period immediately before the marriage and who, during that period, had been publicly represented by the contributor to be the spouse of the contributor, the Treasury Board may deem that person to have become married to the contributor on the day

Government Orders

established by that person to the satisfaction of the Treasury Board as being the day on which the representation began.”

● (1625)

Mr. Tom Wappel (Scarborough Southwest, Lib.) moved:

Motion No. 24

That Bill C-78, in Clause 75, be amended by replacing lines 28 to 30 on page 51 with the following:

“person establishes that he or she was residing in a relationship of mutual dependency and companionship with the contributor that has been publicly acknowledged by both the person and the contributor for at least one year immedi-”

Motion No. 25

That Bill C-78, in Clause 75, be amended

(a) by replacing lines 37 and 38 on page 51 with the following:

“whom the contributor had been residing in a relationship of mutual dependency and companionship for a period”

(b) by replacing line 42 on page 51 with the following:

“day on which that person began to so reside with the contributor.”

Mr. Eric Lowther (Calgary Centre, Ref.) moved:

Motion No. 26

That Bill C-78, in Clause 75, be amended

(a) by replacing lines 1 and 2 on page 52 with the following:

“(5) A surviving spouse is not entitled to receive an annual allowance if the surviving spouse makes an”

(b) by replacing line 4 on page 52 with the following:

“(6) A surviving spouse may make an irrevocable”

(c) by replacing line 10 on page 52 with the following:

“three months after the surviving spouse is notified of”

(d) by replacing line 14 on page 52 with the following:

“(8) A surviving spouse is not entitled to receive any”

(e) by replacing, in the English version, line 17 on page 52 with the following:

“surviving spouse is found criminally responsible for”

(f) by replacing line 19 on page 52 with the following:

“(9) A surviving spouse is not entitled to receive an”

(g) by replacing, in the English version, line 22 on page 52 with the following:

“Minister that the surviving spouse cannot be found.”

(h) by replacing line 25 on page 52 with the following:

“and there are two surviving spouses of the contributor,”

(i) by replacing lines 28 and 29 on page 52 with the following:

“(a) the surviving spouse referred to in paragraph (a) of the definition “surviving spouse” in subsection”

(j) by replacing lines 34 to 39 on page 52 with the following:

“contributor or since having been deemed under subsection (4.1) to have become married to the contributor bears to the total number of years that the contributor so

cohabited with the surviving spouses; and (b) the surviving spouse referred to in paragraph (b)”

(k) by replacing lines 2 and 3 on page 53 with the following:

“with the contributor since having been deemed under subsection (4) to have become married to the contributor bears to the total number of”

(l) by replacing lines 5 and 6 on page 53 with the following:

“surviving spouses, either while married or while having been deemed to have been married.”

(m) by replacing line 12 on page 53 with the following:

“(12) When one of the surviving spouses referred to”

(n) by replacing lines 17 and 18 on page 53 with the following:

“surviving spouse who died or is not entitled shall be paid to the remaining surviving spouse in addition to”

● (1630)

Mr. Tom Wappel (Scarborough Southwest, Lib.) moved:

Motion No. 27

That Bill C-78, in Clause 75, be amended

(a) by replacing line 32 on page 52 with the following:

“number of years that he or she resided in a relationship of mutual dependency and companionship”

(b) by replacing lines 35 to 38 on page 52 with the following:

“or she resided with the contributor in a relationship described in subsection (4) bears to the total number of years that the contributor so resided with the survivors; and”

(c) by replacing lines 1 to 6 on page 53 with the following:

“number of years that he or she resided with the contributor in a relationship described in subsection (4) bears to the total number of years that the contributor resided with the survivors, either while married or while in a relationship described in subsection (4).”

Mr. Eric Lowther (Calgary Centre, Ref.) moved:

Motion No. 28

That Bill C-78, in Clause 76, be amended

(a) by replacing lines 24 to 32 on page 53 with the following:

“surviving spouse of a contributor is not entitled to an annual allowance in respect of the contributor under this Part if that contributor married the surviving spouse or was deemed under subsection 25(4) to have become married to the surviving spouse after having become entitled under this Part to an annuity or annual allowance, unless, after the marriage, or after having been so deemed to have become married, the contributor became or”

(b) by replacing line 39 on page 53 with the following:

“the surviving spouse of the contributor or the children”

(c) by replacing line 5 on page 54 with the following:

“Part by virtue of being the surviving spouse of a female”

(d) by replacing line 16 on page 54 with the following:

“Part by virtue of being the surviving spouse of a female”

Government Orders

Mr. Tom Wappel (Scarborough Southwest, Lib.) moved:

Motion No. 29

That Bill C-78, in Clause 76, be amended

(a) by replacing lines 27 and 28 on page 53 with the following:

“survivor or began to reside with the survivor in a relationship described in subsection 25(4) after”

(b) by replacing, in the English version, line 32 on page 53 with the following:

“of so residing, the contributor became or”

Mr. Eric Lowther (Calgary Centre, Ref.) moved:

Motion No. 30

That Bill C-78, in Clause 81, be amended

(a) by replacing line 26 on page 57 with the following:

“nor the contributor’s surviving spouse or children”

(b) by replacing line 41 on page 57 with the following:

“sion Act, all surviving spouses within the meaning of”

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

Mr. Eric Lowther: Madam Speaker, I appreciate the thoroughness with which you have gone through the motions for us today on this section of the bill and the Group No. 2 amendments. This is an important group of amendments and I would like to take a minute to detail why they are important and to point out some of the grievous shortcomings in this section of the bill.

The amendments I put forward and ones other members have put forward, but particularly mine, are designed to return the act to where it was prior to this current piece of legislation. There is a very good reason to bring it back to where it was.

This government bill before us affects the pension plans of public service employees. Bill C-78 makes a significant change in the determination of who will be eligible for survivor benefits.

• (1635)

The bill changes the test. Prior to this bill the test was fairly clear. With this bill if the contributor is married and the contributor dies, the surviving spouse, a party to the marriage, is eligible for the benefits. There are a few other minor tests such as living together at the time of death and that kind of thing. Basically a

person who is married to a contributor who has died is eligible for the benefits.

There is another group that is eligible. The sole test for this other group for the benefits from the contributor is cohabitation for a year and having a relationship of a conjugal nature. This terminology is new to law. We have had the phrase “having a conjugal relationship” but in this bill it is “having a relationship of a conjugal nature”. It may seem like a small point but it is not. Let me explain why.

The word conjugal usually applies to some sort of physical intimacy or sexual activity within the confines of a marriage type of relationship. Bill C-78 is basically saying that the private intimacies between two people will be the determining factor as to whether or not one is going to receive a benefit.

Think about that for a minute. The private intimacies between two people will determine whether or not they receive benefits. How will anybody know about these private intimacies? And whose business is it anyway? That is where this bill is taking us. Prior to this bill, in the legislation that is being amended, that was not a required test for the extension of benefits, nor should it be.

This bill is being proposed by a government that once had a prime minister who said the government has no place in the bedrooms of the nation. Now it is putting forward legislation which says that someone who has physical intimacies with a person will receive survivor benefits. It seems unworkable to me. How will anyone know? What are we going to set it up? Will we have some sort of inquisition of people’s personal intimacies? That is a scary thought but it seems that is where this bill is taking us.

Beyond that, the bill does not in any way define what a relationship of a conjugal nature is. What is that doing? It is leaving it to the courts. People will be in the courts arguing whether or not they had a relationship of a conjugal nature. This is after the contributor has died. Who knows what was going on and again, what business is it of the government anyway to make that the key factor for determining benefits? It does not make sense. Where could this take us?

The bill does not say a relationship of a conjugal nature with one person. What about three people living together? Does that mean that both of those people have a relationship of a conjugal nature with the contributor? Are they both eligible? Nowhere in this legislation is it defined or addressed. It is wide open. This is a significant cause for concern. It makes the legislation unworkable.

On the other side of the coin, why is this test of a conjugal nature the key? If we want to extend benefits under Bill C-78 to people who had some sort of relationship, does that mean we are going to exclude certain people? If two people have a close relationship, share expenses, have lived together for years, are more than just average friends but they do not have any intimate physical relations, are they out or are they in? Who is going to decide that? The

Government Orders

courts again? Certainly not this legislation because it gives absolutely no direction in that area. It is a recipe for confusion and litigation. It is very poorly drafted and very poorly thought out.

We had an opportunity in committee to ask the minister about this very issue. I thought surely the minister would have thought this out and would have an answer for me. Here is the answer I got and I am paraphrasing but it can be seen in the committee *Hansard*. He basically told me that the lawyers made them do it. I could not believe it.

• (1640)

The courts had made some decisions and I think he was referring to the Rosenberg case where the courts ruled a redefinition of the term “spouse”. The justice minister said she was going to appeal that decision and defend the current Canadian law and never did. Now the courts have redefined a section in one act in government legislation.

The President of the Treasury Board said that the courts made them do this and the lawyers told them to write it this way. Is this how the Liberal government governs? The courts made them do it. The lawyers told them to do it. What are they doing? They are setting this up for a test of physical intimacy for the determination of benefits. It just does not make sense. It is a poor approach to the serving of the people.

What kind of a bureaucracy are we going to have to establish to assess who qualifies and who does not? I hesitate to use the term as I do not want to offend anyone, but we can envision some sort of sex police or something like that who would determine the regulations on this, who is included and who is excluded.

I am attempting to point out to the House and to those who are listening today that if we are going to go down this road, surely we have to keep it independent from the government invading in the physical intimacies between two people. I concur with the statement of the Liberal prime minister of some years back. Mr. Trudeau said the government has no business in the bedrooms of the nation, yet this very piece of legislation is driving it right in there. For that reason we proposed the amendments.

I am hoping my talk today and talks I have given on this before will cause us to rethink this. I believe the hon. member from Scarborough has some points to make on this as well. I hope that we can look at these amendments to bring the act back to where it was before, where the government was not intruding in the private affairs of people. If the government wants to go down this road, rethink it and come up with something that works a lot better than this.

Of course we are told that this change is not going to impact on costs at all. It is going to be a very minor cost. How can we know that when we do not know who qualifies and who does not qualify?

I do not buy the argument that this change is going to be very minor cost because we do not know who is in or out. That just does not wash.

Finally, the amendments I have proposed today were only some of the amendments that were needed. There are 249 times in the 200 pages of this bill where any mention of wife or spouse or widow or any of those kinds of terms has been replaced with one word, the word survivor. Of course, survivor is subject to the conjugality test.

We went to the legislative counsel for assistance in bringing this act back to where it was before. Because of the rush and the way the government has pushed Bill C-78 through the House without a good airing of all the issues, the government has made it impossible for the legislative counsel to make the appropriate amendments to all sections of the bill. Many sections of the bill need amending to bring it back to where it was before. I have not had an opportunity to bring them to the House because of time constraints.

Having said all that, I think I have shed some light on this. There is a very serious concern to which we all need to pay attention. I hope that when the vote comes we see some reason and accept these amendments and have another look at the bill and come forward with more appropriate legislation.

Mr. Tom Wappel (Scarborough Southwest, Lib.): Mr. Speaker, I have four amendments in this grouping. I appreciate the opportunity to have 10 minutes to explain to the House some of the concerns I have with respect to the sections I wish to speak on.

• (1645)

I want to echo a number of the comments of the speaker before me. I commend him for some of the motions he brought forward, in particular Motion No. 23.

Motion No. 23 will bring clause 25 at page 51 back to the way it was. In other words it will be a return to status quo. That being the case I say outright that I will be supporting the motion. I agree that the matter has proceeded in undue haste and I think the motion is appropriate.

My motion, as I will explain in a moment, is a compromise to the motion put forward by the member for Calgary Centre on the chance that the House chooses to reject that motion and perhaps chooses to consider in some way my compromise. I will explain that.

I am concerned about clause 75 found at page 51 of the bill. I want to read it into the record. It refers to section 25 of the act to be amended. I pity the people watching on television who are trying to follow the clauses. However I hope to explain to the House my main concern. It reads:

(4) 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.

As a lawyer I know that lawyers do not use language indiscriminately. They use language very carefully. I disagree with the hon. member for Calgary Centre who thinks that this section was drafted in haste and drafted poorly.

My view is that it was drafted very carefully and very insidiously by the justice department to continue its objective, that is its drive eventually down the road to force Canadians to accept same sex marriages and to change the law to require same sex marriages.

This is a very significant step down the road. Why? Let us look at the word conjugal. It has an ordinary English dictionary meaning. If we are speaking the English language as we do as one of the official languages in the House, we have to look at the ordinary meaning of the word conjugal. It is very simple. By the way I have checked it in French. It has the same meaning in French as it has in English:

Conjugal, of marriage; the right of sexual intercourse with a spouse; of the mutual relation of husband and wife.

That is its definition in the *Oxford English Dictionary*.

This is the section used by the government to provide for same sex benefits. Yet the word conjugal is known in the English language as pertaining to marriage and pertaining to the right of sexual intercourse with a spouse. Therefore it is an oxymoron to say that it deals with same sex couples because that is not a husband and a wife and it is not the sexual intercourse between spouses. Yet the word is used. It can only be used as the first step toward trying to ensure that the federal law is changed to permit same sex people to marry, which is federal jurisdiction.

What about the legal definition? Is there a difference? As it happens there is no difference, but I went to a very well known source, *Black's Law Dictionary* which deals with definitions of the terms and phrases of American and English jurisprudence, ancient and modern.

The definition of the word conjugal in *Black's Law Dictionary* reads as follows:

Of or belonging to marriage or the married state; suitable or appropriate to the married state or to married persons; matrimonial; connubial.

Then it provides legal citations for that definition. What does that mean? It means that both the ordinary *English Oxford Dictionary* definition and the legal definition of conjugal mean of marriage. It means relations between a husband and wife.

• (1650)

Why are the lawyers in the justice department using a word with such a clear English and legal meaning to justify the extension of same sex benefits to homosexual couples? There can be only one

Government Orders

reason. That is to further the agenda and to push us down the road to the recognition of same sex marriages.

The allegation made by my own party is that we are simply keeping federal pensions in line with court decisions. I have three things to say to that. That is bunk. That is baloney. That is balderdash.

All we have to do is look at the Supreme Court of Canada decision in Egan and Nesbit which the government has ignored purposefully and which the Ontario Court of Appeal in Rosenberg grossly ignored and in my opinion improperly ignored since it was a higher court. Egan and Nesbit was a case in which the court was called upon to decide whether or not same sex partners could get old age security benefits. That is right on point with same sex survivors benefits here.

What was the decision of that court? It could not have been closer, which is rather interesting. It was a 5:4 split decision. Five of the nine judges were of the view that the definition of spouse in the Old Age Security Act contravened section 15(1). Four of the judges felt that it was perfectly acceptable. One of the five who felt that it contravened was prepared to use section 1 to permit the contravention. Why? Because, he said, the "government must be accorded some flexibility in extending social benefits and does not have to be proactive in recognizing new social relationships".

Couple that with the majority decision, that is to say the decision of four of the nine judges. There were no other groupings of judges in the Supreme Court of Canada in that case where four of the nine were agreed. They said:

Marriage has from time immemorial been firmly grounded in our legal tradition, one that is itself a reflection of longstanding philosophical and religious traditions. But its ultimate *raison d'être* transcends all of these and is firmly anchored in the biological and social realities that heterosexual couples have the unique ability to procreate, that most children are the product of these relationships, and that they are generally cared for and nurtured by those who live in that relationship. In this sense, marriage is by nature heterosexual. It would be possible to legally define marriage to include homosexual couples, but this would not change the biological and social realities that underlie the traditional marriage.

They went on to say:

The singling out of legally married and common law couples as the recipients of benefits necessarily excludes all sorts of other couples living together, whatever reasons these other couples may have for doing so and whatever their sexual orientation. What Parliament clearly had in mind was to accord support to married couples who were aged and elderly, for the advancement of public policy central to society—

The advancement of public policy central to society is to sustain the traditional definition of marriage, and this will erode it.

On Egan and Nesbit the Supreme Court of Canada has spoken. Activist judges in lower courts did not like the decision so Rosenberg in Ontario chose to ignore it and went right ahead and decided their own way, ignoring a higher court.

Government Orders

The government examined the Rosenberg decision, realized that it was more in thinking with what it wanted to do with its agenda and with the agenda of the justice department and chose not to appeal it, thereby legitimizing what I would argue is a questionable decision.

I urge members of the House to consider rejecting the paragraph as it now is for no other reason than the legally improper use of the word conjugal. It will open up a Pandora's box of nightmares.

• (1655)

[Translation]

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, it is rather odd that in debating a bill regarding the public service pension fund surplus we have to address the issue of same sex partners. Sometimes things are hard to explain, but this being said, we are going to have to address it.

I believe the government should have settled the issue in a different way. It should have introduced a separate piece of legislation to settle the issue once and for all; otherwise there will always be a risk. No matter what kind of bills will be introduced in the House of Commons, someone could always introduce an amendment to clarify the same sex couple issue.

In my mind it would have been a lot simpler for the government to settle this issue once and for all, and to proceed with the necessary changes following debate and discussions in the House. But instead it chose to take a piecemeal approach, which creates some distortions.

I am going to give you another example I am more familiar with as Indian affairs critic. It was found that in the area of matrimonial property division in case of divorce there is no protection whatsoever for women living on reserve. So we wondered what to do about it. What happened is that we started seeing bills regarding native people being introduced in the House of Commons; Bill C-49 is a case in point.

Native women lobbied hard and managed to convince us, in the Bloc Québécois, as well as other members who supported us, to add to Bill C-49 a new chapter dealing with the division of matrimonial property. We told the government "You would be well advised to introduce a specific bill to settle this problem regarding native women once and for all".

There is a risk for the House. No matter what kind of bill concerning native people will come before the House, native women will want to add a section dealing with the problem they want to solve.

The same applies to the bill before us today. It does not matter what bill is introduced in the House, there will always be someone

who will want to debate indirectly the issue of same sex spouses and manage to introduce amendments to rectify the situation. So there is a problem.

I believe a great deal of debate would be saved if, once in a while, the government took the bull by the horns and resolved these problems once and for all.

We are beginning to hear legalistic talk about the supreme court having ruled this, that or the other way. This shows some lack of courage on the part of governments. Instead of settling important issues through legislation, and through elected representatives, they often dictate our conduct by giving us lessons in common law or referring to the superior court, the provincial appeal courts or the supreme court.

This shows a lack of courage on the part of the government, which avoids dealing openly with important issues, which drag on and will continue to drag on, despite all the debates we will have in this House. Yet, a specific bill would have allowed us to settle the issue once and for all.

Debate on a specific bill would probably have lasted quite a while, until the government decided to gag us. However, I believe that in the future it should be an option. If we want to bring a substantive solution to the issue of same sex spouses, the government should introduce a bill and amend the whole legislation in a way that would allow the House to apply a final solution instead of taking a piecemeal approach.

Now, what is the situation today? As I said earlier, there are distortions.

For instance, the member for Hochelaga—Maisonneuve, who openly admitted he is gay, will probably be forced to vote against the bill. I cannot speak in his place, but when he spoke earlier on the motions in Group No. 1, he said this legislation was unacceptable. He tried to find a word to describe it that could be used in the House. All day long, words were used in debate like "abduction", "piracy", "raiding", "misappropriation".

• (1700)

We have been trying to avoid unparliamentary language. Still, this bill is unacceptable to the Bloc Québécois, and I think it is unacceptable to all opposition parties.

Even my colleague for Hochelaga—Maisonneuve intends to vote against this bill. The hon. member for Burnaby—Douglas said he would have voted against it too, if he had been here, but he is away on a mission.

We also have the opposite situation. There are government members who find this bill acceptable and will vote for it, but they do not necessarily like the new definition of spouse and their only way out is to move amendments.

Government Orders

I do not know what the outcome of our discussion on the second group of motions will be, and I do not know how the vote will turn out. However, after listening to the previous speaker, I get the impression that this issue will more or less be considered a moral issue, and that we will have free votes. In our party, we are thinking about having a free vote on Group No. 2, so that members can express their own views, because this is a moral issue.

Personally, I did not choose homosexuality, but heterosexuality. Yet I am open-minded enough to understand there are other things that are important besides my own feelings. It is part of politics that our ideals and ideas may not prevail. In the end, we must sometimes recognize that certain things that are different from our own lifestyle can be accepted.

I am one of the people who accept this. Some of my good friends are homosexuals. I have, in fact, made an effort to invite them over for a meal so that we could discuss these matters in depth. I am now perfectly capable of understanding that someone can have a life partner for 10, 15, 20, even 30 years. There have been recent court decisions on a couple who had been together 25 years, two people who loved each other deeply. I feel that the surviving partner of a person who has worked in the public service is entitled to survivor benefits, even if he or she is a same sex partner. That is, however, a completely personal opinion.

I would have liked to see—and I shall close on this point—the federal government follow Quebec's example. As recently as last week, Quebec announced that it would be introducing a bill to amend all of its legislation as far as this very issue of same sex partners is concerned. That would avoid a great deal of debate, as I said at the start of my speech. Then there would not have to be debate on each piece of legislation, as to whether to introduce a new definition of spouse or to stick to the traditional one.

I salute the Government of Quebec for having had the courage to do this. The courts are not going to be the ones to decide whether the definition, as it stands, is legal or not. The government will be undertaking a major change and a major cleanup of all its laws and regulations. It will be holding a debate on whether we, as a society, are in favour of recognizing same sex spouses. It will adjust the whole parliamentary mechanism, regulations and laws, after the debate.

Naturally, people will be able to have their say, and I hope that in Quebec City, as in Ottawa, if such a bill is ever introduced, the debate will go on as long as possible. I think this is the sort of discussion where people should speak up, and the definition may be decided once and for all.

If there is such a debate, I would be pleased to rise and say something of what I have said today and we would thus avoid having to rise with each bill and say "The definition in the bill is

not traditional, I object and move an amendment". That would save us a lot of discussion.

I would ask the federal government to follow the example of Quebec and to settle once and for all the question on the merits, not only for same sex couples but, as I mentioned earlier, for native women who are living on reserves, and for the division of property. We would do well to resolve this matter once and for all.

• (1705)

[English]

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I am pleased to have another opportunity to speak to Bill C-78. We have had precious few opportunities, given that the debate was shut down at second reading after only four hours and the committee hearings were stifled and curtailed to the point where we entertained very few witnesses, even though all of the opposition parties advocated hearing 40 to 50 witnesses and even taking the show on the road.

We believe that this bill is so important we should be touring the country with it so that seniors would have an opportunity to make representation and to research it, as happened when the government tried to make changes to the seniors benefit when the guaranteed income supplement and the old age security were to be merged into one seniors benefit. That was a huge, fundamental change in the way we deal with retirees and senior citizens in this country. To its credit, the government went on the road. There was a huge touring task force which heard from people from all walks of life.

The reaction and the very predictable consequence was that seniors mobilized. They got active and they mobilized their opposition to a huge degree and the government had to back off. Presumably the reason the government is closing debate on this bill is because it does not want the same thing to happen again. The Liberals know they are on shaky ground and they know that the public outrage is only starting to build momentum. In the last few weeks the public has had time to start to research the bill and to send newsletters to the memberships of their organizations to get seniors motivated and active in opposition to this bill. I predict that had they let democracy take its course, we would have seen a huge backlash, a huge outcry.

I think any government should be very cautious about taking on senior citizens. A government would have to be crazy to mobilize a fair fight against the seniors' movement because seniors are well informed, they are well read and they are well organized. We cross them at our peril if we are fighting a fair fight. However, the government clearly is not because it has taken away any opportunity for seniors or their elected representatives to raise all of the issues that are necessary.

From day one I have maintained—

Government Orders

Mr. Tony Ianno: Mr. Speaker, I rise on a point of order. I know that the CLC convention was very important, but the committee was available and hearing witnesses while the member—

Mr. Peter Stoffer: Mr. Speaker, that is not a point of order.

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

Mr. Pat Martin: Mr. Speaker, thank you for that ruling.

I have said from day one that Bill C-78 is an extremely complicated bill that has profound and precedent setting public policy implications. The debate we have heard in the last hour and the amendments we have been debating point out that this bill is not only about the pension plan or the new public sector pension investment board, it goes far beyond that. The government, in a cynical way I would argue, has tried to introduce the concept of same sex spousal benefits. That is something I am personally in favour of and have lobbied long and hard for, but the government slipped it in with another package which makes it very difficult for people who are interested in both issues. They are finding a bit of a contradiction in terms of being able to support the bill.

One member of our caucus has dedicated half of his life to fight for same sex benefits and all of those rights and he is being put in the uncomfortable position of having to vote against this bill because he is so obviously against the financial aspects of it.

Some of the debate we have heard dealing with the group 2 amendments mystifies me because we are hearing from a group of people who seem to feel somehow that by giving rights to one group of people that will diminish their rights, as if rights were a finite pie and if one group has too many they are going to have to take less. I disagree with that point of view. It has always been my position that if we give full rights to everyone, all of our rights are enhanced, not diminished.

I am very concerned that many of the amendments in group 2 find their origins in some not too thinly veiled homophobia. I am not comfortable at all with some of the things that we have heard in this room today. I wish people would take a more generous point of view.

• (1710)

However, some of the issues that were raised are quite legitimate. Using the word conjugal as the test for cohabitation, or whether one will be able to give survivor's benefits to another person, has to be looked at a lot more seriously. We will not have time to do that. I will have three or four minutes to speak about it and then I presume the House leader on the other side will come rushing in to move closure on the debate and the whole thing will be put to bed, if you will excuse the pun.

I do not think conjugal is any kind of a test. There are other living arrangements that come up from time to time when people

cohabit and do not have a conjugal relationship and we should be able to assign survivor's benefits to that partner as well, whether it is to a brother or a sister who might share the same home and so on. There are many aspects to it that we need to investigate. Again it is sad that we will not have time to debate properly this important, precedent setting public policy issue.

Had the government come in through the front door, honestly, with a bill dealing with the thorny issue which has been surfacing year after year of same sex benefits, we could have had an honest debate and really dealt with it in the way that it deserves to be dealt with.

I spoke about seniors groups. One of the groups that was most disappointed about closure and not having an opportunity to deal with this at committee properly was the largest group of retirees and senior citizens involved with the public sector, the federal superannuates national association.

That group was notified the night before the committee hearing. It represents hundreds of thousands of superannuates. The night before it was to appear it was given the 200 page tome. Even the clerk of the committee, when he gave me my copy of Bill C-78, said it was weighty tome. Those were the terms he used. We could hardly lift it. It is the size of the Manhattan phone book. Those people had 12 hours to prepare their remarks on behalf of all of the people they represent.

The parliamentary secretary thinks there was adequate time. The whole committee, on the Liberal side at least, made it clear that they did not really need to hear a lot of witnesses; two or three unions maybe, two or three actuaries and a couple of people involved in public sector pension plans would be adequate for this huge, precedent setting piece of legislation. I cannot say strongly enough how much I disagree.

We did not get a chance to go into some of the jurisprudence involved with public sector pension plans which are silent on the issue of what to do with a surplus. We never got a chance to wrestle with that issue or even to look at recent cases.

One example comes to mind, that being when Ontario Hydro wanted to take a contribution holiday because it had a surplus and CUPE, the union representing the workers, to its credit, took Ontario Hydro to court. The courts backed up the union's position that the employer did not have an exclusive right to the surplus of the plan, even it is a defined benefit plan. The money, in this case, was split evenly. The employer received some money and some of the money went to increase benefits. That kind of an equitable settlement, whether by arbitration or by some court ruling, is something that would have satisfied the people involved in this case.

One of the amendments that has been put forward argues quite capably that the government should live up to its own legislation, which would be the federal Pension Benefits Standards Act. Under that act any plans operating under federal jurisdiction would require two-thirds of the members of the plan to vote in favour of

Government Orders

using any of the pension surplus for anything at all. The government's own bill, which recently received royal assent in 1998, calls for the beneficiaries of the plan to have a say in the allocation of any surplus. I would hope that at least that amendment would carry when this comes to a vote.

We will not have enough time to adequately go through the many, many issues in this complex piece of legislation because the government will move closure again. It is a disservice to all the people who are involved in the plan and all the survivors who collect benefits.

• (1715)

Mr. Scott Brison (Kings—Hants, PC): Madam Speaker, I regret that we again do not have enough time allocated to debate a very important piece of public policy, Bill C-78, which deals with several issues that are of great importance to Canadians, including the ones we are dealing with in this group of amendments.

The issue of same sex benefits, whether it is in the public service or the private sector, has been an issue that has developed over a period of years. I would remind members of the House that the supreme court has been consistent in its interpretation of the Canadian Charter of Rights and Freedoms which protects the rights of all Canadians. That is very important.

It is also important to remind ourselves as members of the House that we were elected to represent and defend the rights of all our constituent and to protect the rights of all Canadians. That is not simply the groups of Canadians that we tend to agree with or the groups of Canadians that we feel live in a lifestyle that we happen to support. We were elected to support and represent all Canadians.

As some suggest, this is not an issue of the redefinition of the family. This is not about the redefinition of marriage. This is simply an issue of fairness.

There are some people who use the phraseology "family values". Family values should be an intrinsically positive phrase. I think every member of the House believes very strongly in the benefits of a supportive, close-knit family, a nurturing family that provides support and encouragement throughout one's life.

If we are serious about defending the family, defending family values, defending the principles of support and that type of important nuclear relationship that can exist within a family, we should be encouraging all Canadians to live in the types of unions that provide them with that level of support throughout their lives. If we are serious about it, we should be encouraging not discouraging Canadians to live in those types of relationships.

Unfortunately, family values is used by some members of the House as a euphemism for discriminatory policy against one group or another. Although some would argue that when we extend rights or protect the rights of some we diminish the rights of others, there is absolutely no precedent in history to that effect. A significant number of precedents have been set throughout history showing

that when we fail to protect the rights of one group we imperil the rights of all groups collectively. It is very important for all of us in the House to defend the rights of all the people we represent and all Canadians.

Seventy-five per cent of Canadians support human rights legislation to protect gays and lesbians from discrimination based on sexual orientation. The supreme court has been consistent in its interpretation of the charter of rights. There is currently a federal legal challenge that was initiated in January 1999 to force the federal government to recognize same sex benefits within the public service. The PSAC union has represented the interests of its members in this case in support of the extension of same sex benefits, particularly relative to survivors.

This debate is not dissimilar to the debate that I believe existed at some point relative to common law spouses and an extension of survivor benefits to common law spouses that has taken place in the House. We have seen how that has evolved. The family has evolved and there is a more flexible definition of the family in that regard.

We can have two individuals working for the public service who perhaps work in the same job category or even in the same office with desks next to each other. One person is in a heterosexual marriage, works for the government for 10 years and then dies. The survivor benefits, based on what he or she has paid into the pension plan, will be there for his or her survivor.

• (1720)

In the other case, the second individual could be gay or lesbian and living in a long term supportive relationship with dependants. He or she may also have worked in the same job over a period of 10 years. However, if something happens to this person, the spouse will be denied benefits despite the fact that both the first individual and the second individual paid taxes and both paid identically into the public service pension plan. This is a clear case of where the government needs to ensure that this discriminatory policy is not permitted. Canadians do not want a discriminatory policy to be part of our public service.

Corporations, not just government, have been proactive in terms of providing these types of benefits. I will list a few of the corporations, universities and provincial governments that have moved in this direction: 3M; A & W Canada; Air Canada; Air Ontario; BC Telecom; Bank of Nova Scotia; Bank of Montreal; IBM Canada; Chrysler Canada; General Electric; Levis Strauss; London Life; McMillan Bloedel; Sears; Stentor Resources; and Toronto-Dominion Bank. I think part of the reason for this move is from the legal perspective that there is no choice. We do have a charter of rights and freedoms in Canada that was put in place to protect the rights of all Canadians. The supreme court has been consistent in its interpretation of that charter of rights.

I do resent the fact that the government has not allowed proper debate and discussion on this very important issue and has slipped this into another piece of legislation. The government has pitted

Government Orders

members of parliament, whose views on these issues have been very clear for some time, against something they believe in. It is unfortunate because this is a fundamental issue of fairness. Fairness is a tenet of Canadian policy, not just Canadian social policy but of what it means to be a Canadian, our determination as Canadians to stand up and defend the rights of minorities and of those who are being persecuted, not just within Canada, but anywhere in the world.

We are known around the world through our peacekeepers and through our foreign policy initiatives as a country that stands up to defend the rights of all peoples. Yet within our own country we still have intrinsically discriminatory policy within the legislative framework. The government has moved to address this, but I do not believe that it has acted appropriately in terms of providing this as part of a very comprehensive piece of legislation that will effectively pit members of parliament, who may agree with some elements, against the legislation.

Polling is supportive of the extension of same sex benefits. However, I would never argue that we should use polls to determine policies on minority rights. Populism is not the proper means through which to develop minority rights. If in the U.S. polling had dictated what the leaders were going to do during the civil rights movement, the civil rights movement would not have moved forward. Black Americans probably would not have been given the vote if polling had determined what the government was going to do.

What defines the difference between politicians and political leaders is that politicians do what the polls tell them to do and political leaders do what is right.

• (1725)

The government is not doing what is right by being dragged kicking and screaming into the 21st century avoiding debates on very important issues like this one and denying proper debate in parliament on issues that are important to all Canadians.

there have been consultations between the parties, including at the meeting of the House leaders this afternoon, and I think you will find unanimous consent for the following motion. I move:

That the Subcommittee on the Corrections and Conditional Release Act be granted authority to travel to Saskatoon from September 26 to 29, 1999 to attend the Canadian Institute for Administration of Justice Conference, and that the necessary staff accompany it.

The Acting Speaker (Ms. Thibeault): Is there unanimous agreement?

Some hon. members: Agreed.

(Motion agreed to)

* * *

BUSINESS OF THE HOUSE

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, again there have been consultations among the parties, including at the House leaders meeting, and I think you will find unanimous consent for the following motion dealing with the fact that the day we return after the break is a Tuesday. If members realize that they will understand the motion. I move:

That, on Tuesday, May 25, 1999, the hours of the sitting of the House and the order of business shall be as provided in the standing orders for a Monday.

The Acting Speaker (Ms. Thibeault): Does the hon. parliamentary secretary have the unanimous consent of the House?

Some hon. members: Agreed.

(Motion agreed to)

ROUTINE PROCEEDINGS

[English]

COMMITTEES OF THE HOUSE

JUSTICE AND HUMAN RIGHTS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker

GOVERNMENT ORDERS

[English]

PUBLIC SECTOR INVESTMENT BOARD ACT

The House resumed consideration 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 consequential amendments of another act, as reported (with amendment) from the committee; and of Group No. 2.

Mr. Ken Epp (Elk Island, Ref.): Madam Speaker, I appreciate the opportunity to begin my speech today and I suppose I will be able to continue it the next time we resume.

I certainly echo the sentiments that have been expressed by many members here today. It is regrettable that we do not have an opportunity both to debate the issues that are before us in the House, but also to enter into a full debate with Canadians across the country, the people in our ridings. We should be asking them how they feel about the pension plan, the allocation of the funds and the Liberal government.

Even though we know the funds are there as a joint venture of contributions by the members who are in the pension plan and by the taxpayer as their employer, it is regrettable that the government chooses to simply take all of the money and not give back a part of it.

I find it interesting, for example, that we had a bill not long ago sponsored by the Minister of Finance in which the question of pension fund surpluses for the private sector came up. In that legislation, an agreement had to be reached before the pension money could be divided up. Clearly neither side would get 100% in that because the other side would not agree to it. Why can we not have something like that here? It is because the government is so stubborn that it will not consider that we need to debate and amend the bill so that it is consistent with the wishes of Canadians.

Speaking of the wishes of Canadians, I want to get to the topic of this particular group. The amendments in Group No. 2 primarily have to do with the definition of the surviving spouse. This is being changed in all of the acts which are affected by the superannuation procedures of the employees of the government.

This change in the definition of spouse just sweeps across a whole bunch of different acts in a very pervasive way. I know there are some who will say that this is not what is being done here. They will say that they are not changing spouse, they are just adding a definition of a survivor to it. The fact of the matter is that it is effectively being changed. This is quite contrary to the wishes of Canadians. It is certainly contrary to the wishes of the people in my riding. It is contrary to the wishes of people in the House.

I remember shortly after the election in 1993 we had a debate in the House on a private members' motion. The motion dealt specifically with benefits for partners in a same sex relationship. The motion was soundly turned down.

Madam Speaker, I see you are giving me a signal because it is 5.30 p.m. I presume I will be able to finish my speech when this resumes.

Private Members' Business

• (1730)

The Acting Speaker (Ms. Thibeault): The hon. member has seven minutes left in his speech.

[*Translation*]

It being 5.30 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

CRIMINAL CODE

The House resumed from March 16 consideration of the motion.

Mrs. Sue Barnes (London West, Lib.): Madam Speaker, I am pleased to take part in the debate on this motion. I know the member for Yukon has worked very hard on raising the profile of this issue and adding to the very important debate in the House. She has also worked on talking to members across party lines about the need to get at the reality in a modern context in terms of a section of our current Criminal Code.

Going back in history is relevant to a discussion of this section of our code, which in essence had its history hundreds of years ago. It was based on a concept of honour at a time when men could treat women as property, at a time when men could defend the honour of their children having been molested, specifically sons being sexually assaulted. It has a historical context which in reality is not as relevant in today's society.

There is a modernization. When our Criminal Code was codified in 1892 this section was included. There has been discussion over the years. I believe this section should be looked at when we talk about the defences of provocation and self-defence. These two issues are linked in my mind.

Around 1998 the Minister of Justice had the Department of Justice start consultations across the land on this area of the law, this specific section. They are still ongoing. I believe that discussion is necessary. When I originally looked at this section I thought it was fairly black and white and tended to agree with the hon. member who presented the motion.

Private Members' Business

However, what I am hearing in my investigation is that some of the consultations are still ongoing and different groups are not reaching a consensus of opinion. In other words, a process is under way that will address some of these issues. I think that process has already shown—and I believe the Department of Justice and the Minister of Justice would agree—that some of the criticisms enunciated in the House and levelled at this section would be valid criticisms.

A review of *Hansard* and the previous hour of debate on the motion would also find that there are other views that raise different arguments in relation to this section. The courts have been more likely to use this in a situation where instead of a man's ability for action, as in the argument of the hon. member, there is the passing of violence against an individual out of anger or frustration or a sense of honour that has been hurt in some way. It is now the opposite. It could be used more as a defence realistically when there is continuous provocation to such an extent that somebody loses actual control.

This is a complex area. It is not simple. It is certainly not black and white. At the end of the day this is an area in which I welcome constant and continuing vigilance. I would like to see some reform on this section. I would also like to see that reform come at a time when the consultation process has been completed and all various options have been put on the table for us to evaluate together. I would be supportive after hearing especially from the equality seeking groups across the land who are coming to the table and discussing this as the consultations go forward.

• (1735)

It is necessary that Canadians realize that just because something is old it is not automatically wrong. Something that has a lot of history can be looked at with an understanding that when we move to eradicate it, it could have repercussions or different ramifications in areas which have not yet been thought of. Some of the self-defence now is more likely for instances where women are responding in a loss of control to a situation where over a long period of time there has been assault by men against women in a household and someone loses control for a moment and acts out of anger. I could see that happening if anyone came across someone attacking a child of ours or a child of the community.

We should not excuse violence. We should never excuse violence, but I think there has to remain some flexibility of an understanding that human beings are fallible. I would certainly want a very high test level.

In our review of the cases in this section that in some cases the judge felt this defence was not available. It really is case dependent, factual dependent. It provides for a level of flexibility in our criminal law, but it is one of those areas where there is no excuse for violence. If we go from that position, I think there is a lot of value in laying this issue before us today.

I commend the hon. member for her work on the motion. I would look forward to a time where I could stand in the House and support a bill that would modernize this situation. Before I do so, as I say, in fairness to all potential situations I would want to have all options laid before me.

I urge those conducting the consultation process inside the Department of Justice that if it is being done at a pace which has not been as rapid as it could be, this motion gives some emphasis to pushing the process along so that we can come to a point within parliament where we can be looking at modernization of the particular section.

I do not wish to prolong this debate by repeating myself. I think I have laid where I stand clearly on the table. It is from a viewpoint of not trying to sit on the fence but just saying at this point in time I will not support the motion because I do not feel that the consultation process has been finished.

I am at this stage glad that there is one in place. I would like to hurry that process along so that at a future date within this session of parliament I would hope we could be looking at the issue and seeing at that stage where informed decision making should stand.

Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.): Madam Speaker, it is a pleasure today to speak to Motion No. 265 which calls for a legislative committee to be established to prepare and bring in a bill in accordance with Standing Order 68(4)(b) to abolish the legal defence of provocation contained in section 232 of the Criminal Code.

The member for Yukon has been forthright in stating the genesis of this motion. I can understand how she may be motivated by the tragic case of Susan Klassen who died at the hands of her husband.

On the surface it seems easy to remedy a situation of this nature. It is quite human to perhaps strike out and fix it in one fell swoop. I regret I cannot subscribe to one fell swoop. I cannot support the outright abolition of section 232 of the Criminal Code.

As I understand it, section 232 has remained virtually unchanged since 1892 which to some may say it is time for a change. On the other hand everything old is not necessarily out of date. Also as I understand it, in criminal justice judges and the courts apply certain flexibilities and interpretation which help to keep the Criminal Code a fluid document.

• (1740)

As my colleague from Yorkton—Melville has so cogently pointed out during earlier debate, the application of the defence of provocation has not remained static. He went on to say that many cases before the courts set legal precedents to determine the

sufficiency of evidence to raise the defence, the nature of the object of test of the term ordinary person, the instructions or charges of the jury, the applications of this defence to attempted murder, the definition of self-induced provocation, and constitutional considerations. In short, section 232 has been in constant scrutiny, interpretation and change. This is good. It says the law is not static.

Previous speakers to the bill have spoken about the complexity and controversial nature of section 232, but that in itself should not lead to abolition. As the section reads, culpable homicide may be reduced to manslaughter if the person who committed it did so in the heat of passion caused by sudden provocation. For the provocation defence to be successful, there must be a wrongful act or insult. The act must be sufficient to deprive an ordinary person of self-control. The accused had to act in the heat of passion. There had to be no time for the accused to cool down.

This seems to be quite a comprehensive set of guidelines and despite the complexity there seems to be enough caveats to ensure it passes some sort of litmus test for its use.

We must remember that if the defence is successful it does not mean the accused walks. In fact he or she can still be convicted of manslaughter and face a maximum penalty of life imprisonment. Nevertheless certain cases have given rise to concerns regarding this section and it is currently under review by the justice department.

In June 1998 a discussion paper on provocation was released by justice. It was to form the basis of a public consultation. At this point submissions by groups and individuals are still being reviewed.

This discussion paper asks the public for input on nine options with respect to the defence of provocation. Allow me to identify these options: to abolish the defence of provocation, to reform the defence of provocation by removing the phrase in the heat of passion, to replace the term wrongful act with unlawful act, to remove the ordinary person test to reflect the mix subjective-objective test, to reform the defence of expanding the suddenness requirement, to reform the defence so that it is not available in a case of a spousal homicide, to reform the defence so that it is not available in a case where the victim asserts his or her charter rights, to reform the defence to limit it to situations where excessive force was used in self-defence, and to leave the Criminal Code provisions on the provocation defence exactly as they are.

I ask whether these options as a result of input gathered by the department have been reviewed sufficiently as the causes to abolish section 232. I think not and I think the abolition option is a bit premature.

Unfortunately the issue of provocation defence has taken on a singular gender oriented, one dimensional focus. As was stated in the government's discussion paper, the defence of provocation might be useful for women in situations of domestic violence who

kill in self-defence but with excessive force in response to physical or verbal abuse. It seems to me it would be dangerously presumptuous to expunge section 232 before we at least review the options in a lot more detail.

I must agree with the hon. member for Pictou—Antigonish—Guysborough, formerly a crown prosecutor, who cautioned against taking a single case in isolation and using it as a motivation to entirely change the law. If this were the only mitigating factor to amend a section of the Criminal Code, we could find one case for each section of the Criminal Code and have a Criminal Code in perpetual motion and change. This seems a bit frivolous.

The Department of Justice is now reviewing the options which in the final analysis we hope will lead to a consensus of the view of interested parties. Perhaps we should conclude that review and see what the justice department has to say before we go headlong into a complex area of law with interconnecting elements in other sections of the Criminal Code.

I am not fighting a change by opposing Motion No. 265. I am opposing precipitous change, premature change, and change to suit just one case. This is not how our Criminal Code evolved. I do not support incomplete review. Let us face it. Too often politicians are accused of acting before we think.

• (1745)

I am not diminishing the passion and legitimate concern that the member for Yukon brings to this issue. It is a commendable initiative, but I am sensitive to quantum change before the department review is complete.

There is a lot of evidence that section 232 continues to serve the criminal justice system with merit in rendering justice. I suspect we could all pick one case where we feel some section of the code has been negligent or deficient. There is a process in our criminal justice system, by way of the courts, to deal with these situations. I do not feel that we are at a point where we should abandon section 232.

[Translation]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Madam Speaker, I am pleased to rise today to speak to Motion M-265 introduced by the NDP member for Yukon.

I will read the motion because it is important to know what it is all about when listening to a speech. It says this:

That a legislative committee be established to prepare and bring in a bill, in accordance with Standing Order 68(4)(b), to abolish the legal defence of provocation contained in Section 232 of the Criminal Code of Canada.

Although the motion calls for the establishment of a legislative committee, one must ask a fundamental question right from the

Private Members' Business

start: should we maintain or abolish the defence of provocation contained in section 232 of the Criminal Code?

The member for Yukon already had the opportunity to give her point of view on this question. The wording of her motion leaves no doubt as to her goal, namely to strike down section 232.

During the first hour of the debate she clearly explained why she is seeking to have it struck down. No matter how legitimate her reasons are, the question remains: should we or should we not abolish section 232?

To answer this question properly, one must understand what the defence of provocation is all about, carefully choose one's arguments, and not get carried away. It is really well defined in Quebec and Canada's jurisprudence.

I will quote Mr. Justice Irénée Lagarde, the author of several criminal law papers, who gave the following definition of the defence of provocation. I will read it because it contains all the significant elements:

Provocation consists of one or several unfair acts by the victim against the accused, or one or several insults hurled by the victim at the accused, these acts or insults being of such a nature as to deprive an ordinary person of his or her self-control and push the accused to act in anger, in the heat of the moment, and before being able to calm down.

It is a lengthy definition, but it is extremely clear and it contains all the elements the accused must prove to be able to use the defence of provocation.

The criteria are very strict. In fact, it must be said that in the majority of cases that went to trial, the criteria set out in section 232 were not met and, therefore, the judge did not allow the accused to use the defence of provocation.

Before going any further, it must be said also that, contrary to self-defence, the defence of provocation cannot lead to an acquittal. It can only reduce the charge. It is only after the crown has proven all the elements of the offence that the accused can present such a defence.

The courts have widely interpreted the terms of section 232 to establish a series of objective tests that are easy to apply. These tests determine if indeed, under the circumstances, an individual acted under the impulse of provocation.

The accused must prove, among other things, that his or her behaviour was caused by sudden provocation that would deprive an ordinary person of the power of self-control. The supreme court has stated that the reasonable criteria required under section 232 calls for a test that takes into account not only the characteristics of the provocation, but also the characteristics of the person who was the object of such provocation.

The supreme court has determined that jealousy and admission of adultery are not sudden provocation under section 232.

• (1750)

Furthermore, drunkenness was not considered a relevant element to determine if the criterion of "reasonable person" is met under the objective test of section 232. Indeed, someone who easily loses his temper or is intoxicated with alcohol could not invoke provocation as a defence. Those who are said to have a short fuse when provoked cannot use the defence of provocation.

Moreover, it appears clearly from section 232 that the accused must not have taken time to think before committing the fatal act. Case law confirms that if the accused has had the time to cool off, he will not be allowed to use defence of provocation.

Indeed, for the accused to be allowed to benefit from section 232, the victim must not only have tried to provoke the accused but the latter must also actually have been provoked. In other words, the accused must have totally lost self-control. This is even one of the arguments that judges use in similar cases. If the accused has taken time to think, he will not be accused of manslaughter but of murder and the defence of provocation will not be allowed by the court.

The legislator also deemed it appropriate to indicate that there is no provocation if the victim is only exercising a legal right in reaction to the behaviour of the accused. For instance, a person accused of sexual abuse cannot invoke the defence of provocation because the victim hit him to defend herself. The victim has a legitimate right to defend herself. She can plead self-defence. The victim has defended herself and the accused cannot plead that the death of the victim, if there is a death, is the direct result of provocation on her part.

As members can see, the defence of provocation is not easily used. It cannot be used easily and one has a very objective test to meet before a judge accepts or refuses it. However, the hon. member has every right to condemn what appears *prima facie* to be unjust, that is allowing a guilty person to benefit from a reduced sentence.

Indeed, we can easily understand why section 232 of the Criminal Code raises concerns among people. It is absolutely normal for people to ask why favours should be granted to individuals who have been found guilty of murder, because this is where the defence would apply.

Section 232 of the Criminal Code must not be seen as a sop to criminals. Criminal law condemns antisocial behaviour. The Criminal Code identifies actions that do not meet with the community's approval. It must not be forgotten that these actions are committed by men and women, human beings with changing moods who are subject to intense emotions and who sometimes act instinctively and in the heat of the moment.

But it would be far too easy to argue that people who commit crimes of passion should be completely exonerated because it is

sometimes normal to react without thinking. That is why section 232 of the Criminal Code provides for a reduced sentence rather than acquittal.

In short, while it is important to consider the relevance of section 232, I do not think we should abolish it as Motion M-265 proposes.

The defence of provocation is an extremely complex process, which may be justified in the context of a free and democratic society. This does not exclude, however, the fact that we must be sensitive to its overuse. At the moment, however, as I have said, the judges are making very limited use of it. An objective test is applied rigorously by all the courts. I think our judges are sufficiently on the watch.

There is enough jurisprudence and doctrine in this regard to make good use of this defence.

[English]

Mr. Mark Muise (West Nova, PC): Madam Speaker, it is my pleasure to speak to the motion put forward by the hon. member for Yukon concerning the legal defence of provocation.

• (1755)

It is true that as we move into the 21st century and we progress as a race we need to constantly question and be willing to change the rules that we use to govern and create order within our society.

As times change, we too need to change to reflect upon the current needs in our society. Refusal to change outdated ideas and practices will only result in societal stagnation that will be of benefit to no one.

The Criminal Code is a document that is not immune to such push for change. Certain sections of the Criminal Code are quite old. Thus, it could be argued that they are in need of change. However, the PC party's position concerning Motion No. 265 is that there is no justification for throwing out the entire law simply because of a few unpopular sections.

The Criminal Code, in all of its sections, however old they may be, is written in such a way as to allow for judicial interpretation. At first glance sections of the Criminal Code may seem to be outdated, yet when subjected to judicial interpretation they are brought up to speed in any number of ways that will allow the judge to ensure that justice prevails.

Detractors may argue that problems arise in judicial interpretation that allow for decisions such as the B.C. court ruling which allowed the possession of child pornography. This of course was an issue which our party opposed. However, I am a firm believer in the

Private Members' Business

system and, thus, I am confident that the judges of the supreme court will correct this ruling and protect the rights of children.

The Criminal Code is the written reference by which we as Canadians conduct ourselves. It is the guideline for our society, for a safe and orderly environment. It is true that the Criminal Code is not perfect, as it was made by man, yet to allow the dissolution of an entire law simply to appease the demands of special interest groups would set a dangerous precedent that could lead to constant band-aid solutions to very specific problems. The overspecification of this law would limit judicial interpretation of the code when dealing with future cases. Constant change could lead to the eventual dismantling of the Criminal Code, placing public protection in jeopardy.

The Department of Justice has asked for commentary on the issue of the defence of provocation, self-defence and defence of property. Concern over this issue of the defence of provocation stems from societal progress. In the 1990s critics feel that this section of the Criminal Code promotes outdated values and is used to defeat modern egalitarian principles.

Currently, the Criminal Code allows for the defence of provocation, but in recent years the nature and even the existence of the law has been the object of more and more criticism. Moreover, the successful use of the defence in a number of well publicized cases has raised public concern, especially about whether the law is in fact condoning violence. I am referring to the Department of Justice report.

I do not believe for a moment that the law is condoning violence. In fact the law is protecting those who find themselves in a condition of mental anguish. This horrible condition would stem from such unspeakable situations as mental, physical and emotional abuse. These people will sometimes reach a point of distress where they cannot be held responsible for their actions when defending themselves from an abusive attack. The Criminal Code can protect these people if it remains in its current form, where non-partisan judges can interpret the code and hand down a decision that will address the needs and concerns of modern day society.

Issues of self-defence and defence of property have also been singled out for change. Even critics believe that judicial interpretations of the law of self-defence have evolved considerably to reflect the modern values in our society, yet they feel the Criminal Code provisions remain complex and confusing.

With respect to this law the hon. member would like to make individual rights paramount because anyone who mentions the charter of rights and freedoms is seen as a champion of the people.

• (1800)

The Department of Justice has expressed that when dealing with proposed changes to the Criminal Code section on the legal defence

Private Members' Business

of provocation it must be remembered that any proposals for law reform must be consistent with the Canadian Charter of Rights and Freedoms. However, if one gets bogged down with the issue of individual rights it is easy to forget the rights of the community.

As I mentioned, if Canadian society allows itself to make sweeping changes to the Criminal Code to appease the concerns arising from individual cases then the Criminal Code will constantly be at the mercy of popular will of the day.

The popular will of the day does not take into account the rights of minorities. The popular will of the day does not allow for unpopular individual judicial decisions, even if these decisions will have a positive effect on the greater good of society as a whole.

Perhaps such foresight requires the years of training and non-partisan conduct that we see in the judicial system. Judges have the wisdom from years of service. They have the knowledge of legal precedence. They have non-partisan opinions to allow for the proper interpretation of the Criminal Code.

In dealing with the defence of provocation the Department of Justice report states:

—defence of provocation is made available to excuse outbursts of violence in response to non-violent as well as violent acts is considered by many to be a fundamental shortcoming in the law of provocation. Many critics claim that this assumption is based on a model of male aggression that is no longer appropriate. . . .provocation provides an example of the law's failure to grapple with the problem of male anger and violence against women in the domestic sphere. . . .The law of provocation focuses on the behaviour of the victim, whose behaviour does not have to be unlawful or even deliberately insulting so long as it is characterized as wrongful in the prevailing cultural climate.

Issues dealing with the legality involved in the interaction between men and women is in a constant state of flux as society works toward the creation of a level playing field. Thus we can either change the law as frequently as society changes or we can rely on our capable male and female judges to interpret the current law.

The report of the justice department states that the purpose of our criminal justice system is to protect and ensure the safety and security of all members of Canadian society. The Criminal Code sets out legal limits on behaviour by describing criminal offences such as assault and murder. No less important, the code also sets out certain defence that may be used by accused persons to excuse or justify their behaviour.

This is the law of the land. It is an effective law because it allows for our honourable judicial system to interpret the code and make decisions which effectively apply in varying and multifaceted cases that the courts would see in a such diverse multicultural country. Allowing for changes in the Criminal Code is a simplistic and potentially dangerous solution to a very complex problem.

We need to have faith in the judicial system and not throw out the law simply because of individual cases that may gain popular support at a given time. In the case of unpopular judicial decisions which the public may feel are unjust the principals always have the opportunity for appeal. Therefore the PC Party does not support the abolition of the Criminal Code section allowing for the legal defence of provocation.

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Madam Speaker, I rise with great pleasure to discuss the motion of my hon. colleague from Yukon, Motion No. 265.

I will read it again for the House to put it on the record:

That a legislative committee be established to prepare and bring in a bill, in accordance with Standing Order 68(4)(b), to abolish the legal defence of provocation contained in section 232 of the Criminal Code of Canada.

I have always respected the views of other parties, especially those of the government, the Reform, the Bloc and the Conservative Party, but it is amazing to listen to the Reform Party and the Conservative Party. They are the ones who are on record as wanting to lower the age in the Young Offenders Act down to 10 years. Now they are concerned about eliminating a provocation example for the murder of an individual.

• (1805)

Allow me to read some paragraphs regarding two cases. These will illustrate the reasons the hon. member for Yukon brought the motion forward. Listeners may want to turn off their television sets because it is not very pretty:

This motion came on the heels of the Klassen trial's outcome. It involves a murder that took place in Yukon and had outraged Yukoners and Canadians nationwide. The main cause of this public outcry in the Klassen case was the injustice of the sentencing.

This is exactly what the hon. member for West Nova said was there to protect us. It continues:

Ralph Klassen who openly admitted to having strangled his wife (Susan) to death when she tried to end the marriage, was sentenced to only five years in prison. He was charged with manslaughter. This lowered his sentence to five years, or less if he gets parole. Unfortunately there is no lack of examples which resemble the Klassen case where a person kills another human being and receives minimal punishment. One may recall the B.C. case involving Bert Stone, a man who had stabbed his wife 47 times, put her body in a toolbox and then went to Mexico for a month. For this he received a sentence of four years in jail. He had been able to successfully prove that his wife had provoked this violent behaviour by verbal insults delivered over a four hour drive.

It is a one sided debate. The fact is this woman is dead. She cannot rise from the dead and present her case to the courts. The courts have only one person's view on the evidence. The courts took it and gave the man four years in jail, which means with good

Private Members' Business

behaviour he is out in a third. What kind of signal are the courts sending to women, to the defenceless, to seniors, and to young people?

It is quite obvious by the tone of the other three opposition parties that the motion will not go very far. The member for Yukon has raised the issue in the House exactly where it should be. Laws in the country should be made through the legislative process, through parliament, for judges to interpret. It is most unfortunate that the judges in these two particular cases, and there are other examples, have literally given people their walking papers after committing such violent crimes.

In Beaver Bank in my riding a gentleman has received numerous drunk driving charges. I believe on his eighth one he was finally successful in killing someone, a young 18 year old woman who had her whole life in front of her.

What did he get? It was the largest sentence ever handed out for a drunk driving charge: 8.5 years. After only 18 months he was given three days of parole on the condition that if he were a good boy he would be allowed out. This man received eight charges for drunk driving. He received an 8.5 year sentence, the most ever in Nova Scotia, and after 18 months he got three days of parole. Can we imagine what the parents of that child are going through? Where is the justice in that?

Allow me to read a couple of other paragraphs to illustrate the point that my hon. colleague from Yukon is trying to get through. The first one reads:

One of the major distinctions that can be seen for our society is the quest to preserve human life. The defence of provocation came into being at a time when a life came second to an insult of honour. This way of thinking may seem barbaric but this defence has been repeatedly used, even by recent killers to "get away with murder". In essence it is a licence for violence. By abolishing this defence we would be sending out a clear message regarding murder. Namely, that excusing murder has no place in our society and that violence cannot be used as a response to a non-violent act, a legal act or an insult.

This means the defence can be used in the interests of the killer to have a secure murder charge. In this manner the murder charge can be lowered to manslaughter which carries no minimal sentencing time. This leaves the sentencing of these crimes to the discretion of the judge.

There is also the matter of the definition of provocation as set out in section 232, which can be seen as forming the core of the defence of provocation. It reads as follows:

—a wrongful act or an insult that is of a nature to be sufficient to deprive an ordinary person of the power of self-control. This does not mean that the wrongful act or insult has to be illegal, simply that it was enough to cause someone's rage to explode and to strike out. It is arguable that no definition of insult or wrongful act can justify someone killing another even at the point of human weakness. Revisiting the Klassen case discussed at the beginning, the provocation of the husband was his wife was trying to leave the relationship.

• (1810)

There was obviously a reason she had to leave and it was probably a very valid one. The paragraph continues:

Already separated from her husband, Susan Klassen indicated that she wanted to end the marriage and to move on with her life.

I may point out that a person who is killed is not a special interest group. A woman who is abused by her husband or by the system is not a special interest group. The special interest group in this particular case, as my colleague from the Conservatives was mentioning in this case, is the murderers. They are the special interest group. They are the ones who put forward their defence to the judges because the woman or the person they murdered is not there to defend themselves. It continues:

No matter how she phrased this, did she deserve to be strangled to death by her spouse? Couples end relationships every day. This decision has become a common occurrence but killing a partner is not a natural outcome of this decision. Killing due to racial slurs, homophobic tendencies or any other prejudice, however mean spirited, should not be enforced or supported in our criminal system. By abolishing the defence of provocation there would be a concrete reinforcement of the notion that killing in retaliation is an illegal act.

The fact is there are too many objective elements in this defence, each of which is at the mercy of countless interpretations.

It is also important to note that the case only brings forth the stories of the killers. The courts only hear their version of what happened and how they were the victims of insults and wrongful acts and therefore forced to kill. Imagine that. They manage to turn it around and say they are the victims when in actuality the dead woman in this case is the real victim.

Another side of the story remains silent as judges and juries decide if the killer will be forgiven for the murder and given a token prison sentence. Let us vote to eliminate this unjust defence which promotes violence and inequality.

I also wish to make a personal note and speak as the father of two young girls, a husband of a loving wife and a brother of four sisters. The fact is that violence against women continues today as much as it always has. Imagine standing in the House of Commons and honestly saying that he was a little ticked off, a little angry, but that was okay.

Imagine if the Littleton, Colorado, event happened in Canada as it did in Taber and the excuse used by the young killer was that they teased him and upset him? Imagine if the judges said that was a valid defence and he received a minimal charge? What would the parents of the victims say? What message is being sent out?

The opposition is correct when it says that defence issues and legal issues are very complex and cannot be based on emotional rhetoric. I agree. This is why the hon. member for Yukon has asked for a legislative committee to be established. Although her purpose

Private Members' Business

is to get rid of the legal defence of provocation, she is a very reasonable, understanding and intelligent woman. If the legislative committee agrees with certain changes to the act, she would support it because it would be an all party committee.

I cannot help but think how great it is that the hon. member for Yukon has raised this very serious issue in the House for debate so that it can be further debated within committee and within the justice department.

Mr. Bryon Wilfert (Oak Ridges, Lib.): Madam Speaker, I congratulate the member for Yukon for bringing Motion No. 265 to the attention of the House.

The Minister of Justice is fully aware of the criticisms of the law and the controversial cases that tend to promote public outrage. My colleague across the way from Sackville—Eastern Shore gave us a few examples.

The minister accepts the merit of many of the criticisms and is committed to reforming the law of provocation. Indeed the Department of Justice has been expending a lot of energy and resources reviewing the law, as was noted earlier, and exploring different options for addressing the concerns raised through consulting with very important groups such as the Law Reform Commission of Canada, individuals, and provincial and territorial colleagues.

The Department of Justice released a discussion paper on the law of provocation in the summer of 1998 which formed the basis of public consultations. Abolition of the defence of provocation is one of the three options being considered by the department.

• (1815)

It is important to note that the consultation paper also focused on the law of self-defence which is integrally related to provocation as well as the defence of property. This consultation process is still under way and for this reason the minister cannot support this motion as it is worded at this time.

As the Department of Justice has determined and as it has heard from many groups, this matter is very complex. We see that in the comments made here in the House today. Any change could clearly have a significant impact. As a result, the consequences of reform must be carefully considered before the best possible option is brought before the House for consideration in the form of a bill.

When the original defence of provocation was developed hundreds of years ago in England, it was founded on the social reality of the time that men could be partially excused for killing if in so doing, they were defending their honour either in the context of a spontaneous fight or upon discovery of their wives in the act of committing adultery, or discovery of someone in the act of sodomizing their son. The original defence was based on the

concept of honour and in part on what is now clearly the discriminatory and offensive idea of male proprietary rights over women.

Provocation was actually relatively limited at that time. It was only in the very precise circumstances I have just noted that the partial excuse could be raised because it was felt that although a provoked killer deserved to be convicted and punished, he did not deserve to be put to death, which was the penalty for murder at that time.

When Canada codified the criminal law in 1892, including the law of provocation, the partial excuse was expanded to allow for partial mitigation for a killing provoked by a wrongful act or insult which allowed for a vastly broader array of circumstances to amount to provocation that had been considered under the common law.

The modern law is based on the rationale that the law should make some allowance for human frailty where a person is provoked beyond the ability to exercise self-control by an act or an insult that would have caused an ordinary person to also lose control.

The defence is meant to provide a measure of compassion and flexibility where a person has killed while under extreme psychological or emotional stress or anguish. It has built-in protections, such as the objective ordinary person test designed to ensure that a person is only excused for reacting to something that an ordinary person would also have reacted to. The provocation must be something of such a nature as to be sufficient to deprive an ordinary person of the power of self-control.

This assessment has to be made on the facts of each case. For instance, witnessing an attack on a person's child could be something sufficient to deprive an ordinary person of the power of self-control.

The defence is no longer explicitly based on offensive and discriminatory notions of honour, or men's proprietary rights over women. However, despite its modern rationale and built-in safeguards, it can certainly be argued that the modern defence has retained in part its profoundly inappropriate historical foundation, as seen by the way in which the defence has been applied and accepted by some courts.

The essence of the criticism of the hon. member for Yukon and others is that provocation gives a credit for angry violence, in particular violence by men against women and devalues human life by minimizing the seriousness of homicidal violence in response to common everyday and lawful acts such as leaving a relationship, insulting someone, or expressing a difference of opinion.

This criticism is understandable. We have to question how effectively and fairly the law protects Canadians and what values the law is upholding when it discounts a killing simply because the

killer was angered by the victim's words or gestures, or departure from a relationship, or even repeated nagging.

• (1820)

As the hon. member for Yukon pointed out, killing in the domestic context should receive a stiffer penalty, not a more lenient one. On this point, I would like to add that the government agrees and has enacted section 718.2 of the Criminal Code which specifically requires the judge to consider the abuse of a spouse as an aggravating factor for sentencing purposes.

The hon. member for Yukon was eloquent and indeed passionate in her criticisms of provocation in her speech introducing the motion. Again I congratulate her. She focused our attention on the cases which cause the most trouble with the defence. These problems cannot be ignored or overlooked.

However, the speeches of other hon. members reveal other sides to this debate. We must also be clear that provocation is not accepted in every case in which it is alleged. In many cases it is rejected by the judge and not even given to the jury to consider.

As another hon. member who spoke to this motion mentioned, the defence has been virtually unchanged since 1892. A law of such long standing must be carefully studied before the House decides to abolish it since such a change could have many consequences.

Another member pointed out that while some cases clearly illustrate a need to reform provocation, the defence of provocation provides a concession to human frailty that may be warranted or appropriate in certain other types of circumstances. The member also referred to the fact that provocation, like other laws, is subject to constant interpretation by judges who are in a very good position to shape the law based on actual cases and their perception of justice and fairness.

The need for open debate and caution cannot be overstated. While it may appear clear to some that the defence must be abolished, this view is not shared by everyone. Some groups take the opposite position, recommending further expansion of the defence on the basis that human frailties should be recognized by the criminal law. Others still would prefer to reform the defence in some way that it is not available in some types of cases, but it is still available in other circumstances where there was widespread agreement that a killing was partially excusable given some extreme provocation by the victim.

Even equality-seeking women's groups have changed their views about what to do with the defence of provocation in recent years. It is simply not the case that there is consensus as to the best course for reform.

Basically, reasonable people disagree about the best possible solution and that is why the Department of Justice determined the

best course of action was to proceed in the prudent manner which I have outlined.

I would suggest that this is premature. I note the passion with which the member has presented her case but I think we should let the course of action as outlined continue. Then appropriate amendments which would reflect the comments made in the public consultations can be brought forth to the House.

Ms. Bev Desjarlais (Churchill, NDP): Madam Speaker, I had the opportunity to listen to the debate from all the different parties this evening. I have to admit it was one of those times when it seemed that there was a fair amount of thought and conscious effort made to consider the reasoning behind the motion put forth by my colleague from the Yukon. That often does not happen in the House. I am sure among ourselves we recognize that and I am sure Canadians recognize that.

From my perspective on this, it was interesting to note that this was one time when I heard the Reform member talk about a need to be reasonable in the approach to justice issues and not jump on one incident. Often that is not the case with the Reform Party. I was very conscious of the fact that there seemed to have been a little more in-depth feeling going into the remarks and consideration of the whole process of a justice bill or a justice motion.

• (1825)

As has been mentioned, it is very complicated. We do not always see the whole picture as we discuss things in parliament, and Canadians do not get the whole picture with each case when they hear what the media has to say about it. The sad reality of that is that Canadians have lost faith in the justice system. They have lost faith in the laws. They see situations such as the Klassen case and hear what has happened. There seems to be no reasoning behind how someone can get away with that kind of an act.

I listened to the hon. member from the Reform Party whose son was killed. I understand his passion. How can he not want to see change so that kind of incident will never happen again? And rightfully so. However, we need to be very conscience of all the ramifications.

What has happened is that there is no faith in the Canadian justice system. The delays with the justice department on a number of issues have resulted in that lack of faith when instances like the Klassen case come up. Too often it becomes the case that offenders get out of jail ahead of time or are released and then they kill someone. People are losing faith. When it takes time for a process to go through the justice department, the committees and everything else, it seems like these issues are always on the back burner.

Had my colleague not brought this issue up, how many of us would have had any thought or discussion about it? How many Canadians would even hear about it? It would sit in some committee or at some back door. It would get a little bit of advertising that

Adjournment Debate

there was going to be a hearing here or there, but it would never ever get discussed.

In spite of all the concerns that everybody has, it is extremely important that more emphasis be put on the issue. The defence of provocation has been used in situations which are unconscionable to accept. I was not going to mention the recent shootings but my colleague from Sackville—Musquodoboit Valley—Eastern Shore mentioned it. It should not be perceived as being a crass portrayal.

When the Littleton shootings were first mentioned I was conscious and very aware of the fact that so many of the students from that school stated their caring for the victims but also for the two young people who had committed the crime. They stated their concern over the attack that had taken place, the name calling, the verbal things and that they were not a part of it. They were sorry they felt that way. What my colleague mentioned is true. Are we accepting that as a defence of provocation? It cannot be.

There are faults within the system which have to be addressed. I want to thank my colleague. I encourage the justice minister to ensure that more effort takes place and that there is speed in reviewing the defence and the whole issue. Canadians need to have faith in the justice system and the laws. We are failing to give them that with the way things are happening now.

[Translation]

The Acting Speaker (Ms. Thibeault): The time provided for the consideration of Private Members' Business has now expired and the order is dropped to the bottom of the order of precedence on the order paper.

ADJOURNMENT PROCEEDINGS

[English]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

AIR SAFETY

Mr. Bill Casey (Cumberland—Colchester, PC): Madam Speaker, I want to bring to the attention of the Minister of Transport again the Kelowna air traffic control tower which was deemed unsafe in 1984.

I would like to quote from the Department of Transport report: "Due to the location and/or the height of the control tower, portions of the runway and taxiways are not visible. Air traffic controllers are supposed to control the traffic on the runways that they cannot see". The inspector went on to say: "A runway encouraging going unnoticed is now a major safety concern. The margin of safety has

been jeopardized and restricted line of sight visibility is a major safety concern". His manager said "The line of sight difficulties have been recognized as a problem at Kelowna and the problem must be addressed". This is dated November 4, 1987.

Then we move to another Department of Transport report dated October 4, 1989. The Department of Transport then notified the manager of the Kelowna air traffic control tower that they were only allowed to operate on a temporary permit and that the waiver was conditional on tower replacement documentation being formulated.

• (1830)

Then, on September 21, 1989, another report was sent from the Department of Transport in Ottawa to the regional office in Vancouver, which brought up again the line of sight waiver at Kelowna airport and stated that it must be emphasized that clear lines of sight are of prime importance to the provision of safe air traffic control services and that this decision was being taken with much reluctance.

The Department of Transport was saying that it was allowing the airport to continue operation with much reluctance. It was saying that the waiver was conditional upon immediate action being taken to produce approval documentation for an appropriate tower replacement.

That was 11 years ago and still the tower has not been upgraded, addressed, repaired or replaced. Since then new buildings have been built. New hangars have been built surrounding it, blocking the runways even more, and traffic has increased dramatically. Not only has air traffic increased, but the planes are larger, creating more difficulties. If it was not safe 11 years ago and nothing has changed, it cannot possibly be safe now.

The minister has proposed a video system such as that used by the Los Angeles airport. This is the second time they will try this. The first time they tried a video camera they put it in and it failed, so they took it out. Now, because of the initiative of bringing up this old report, they are going to try it again.

I respect the effort to try to resolve the issue, but part of the reasoning they used in justifying the video cameras was that they are used at the Los Angeles international airport. They have said this over and over again. However, I talked to the air traffic controllers in Los Angeles and they do not use video cameras to see the runways. They do have them, but they are for reference only. At all times air traffic controllers at the Los Angeles airport can see the runways. They cannot in Kelowna. They are two completely different situations. The video cameras are for reference only and for parking on aprons in Los Angeles. In Kelowna they propose to use them for actual traffic control on the runways. It is not the same thing and it is not safe.

Adjournment Debate

Considering the fact that video cameras have failed before, and considering that they are not used in Los Angeles for air traffic control, will the minister now commit that if the experiment with the video cameras does not work and the situation is not safe, as it has been deemed in these three reports, that a new tower will be constructed and the minister will take action to tell Nav Canada to stop the delays and to stop fooling around? This is a safety issue. Will he tell Nav Canada to put safety first and instruct it to build a new tower?

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I am pleased to have the opportunity to respond to the matter raised by the hon. member for Cumberland—Colchester regarding the air traffic control tower at the Kelowna airport. I speak on behalf of the Parliamentary Secretary to the Minister of Transport, who is unavoidably absent.

I would like to 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 now responsible for those services, including the operation, location and construction of air traffic control towers.

I would like to assure the House that Nav Canada applies air traffic control procedures to address visibility limitations such as

those at Kelowna and Transport Canada is satisfied with the corporation's action to mitigate any potential safety risk until a more permanent solution is available.

I would like to point out that the airport operator is expanding the apron parking area. Construction has begun and 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.

The Minister of Transport continues to be responsible for safety oversight and the hon. 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 6.34 p.m.)

CONTENTS

Tuesday, May 11, 1999

ROUTINE PROCEEDINGS

Order in Council Appointments

Mr. Adams 14979

Government Response to Petitions

Mr. Adams 14979

Petitions

Impaired Driving

Mr. Adams 14979

Marriage

Mr. Wappel 14979

Immigration

Mr. Valeri 14979

Questions on the Order Paper

Mr. Adams 14979

GOVERNMENT ORDERS

Public Sector Pension Investment Board Act

Bill C-78. Report stage 14980

Speaker's Ruling

The Deputy Speaker 14980

Motions in Amendment

Mr. Bachand (Saint-Jean) 14980

Motion No. 1 14980

Mr. Martin (Winnipeg Centre) 14980

Motions Nos. 2 and 3 14980

Mr. Williams 14980

Motion No. 4 14980

Mr. Bachand (Saint-Jean) 14981

Motions Nos. 5, 6 and 7 14981

Mr. Williams 14981

Motion No. 8 14981

Mr. Martin (Winnipeg Centre) 14981

Motions Nos. 9 and 10 14981

Mr. Williams 14981

Motion No. 11 14981

Mr. Martin (Winnipeg Centre) 14981

Motions Nos. 12 and 13 14981

Mr. Bachand (Saint-Jean) 14981

Motion No. 14 14981

Mr. Bachand (Saint-Jean) 14981

Motion No. 31 14981

Mr. Williams 14981

Motion No. 32 14981

Mr. Bachand (Saint-Jean) 14981

Motion No. 40 14981

Mr. Bachand (Saint-Jean) 14982

Motion No. 48 14982

Mr. Williams 14982

Mr. Bachand (Saint-Jean) 14983

Mr. Martin (Winnipeg Centre) 14985

Mr. Byrne 14987

Mr. Brison 14987

Mr. Lowther 14989

Mr. Marchand 14990

Mr. Stoffer 14991

Mr. Epp 14993

Mr. Mahoney 14994

Mr. Mahoney 14995

Mr. Chrétien (Frontenac—Mégantic) 14996

Mr. Casson 14997

Mr. Benoit 14999

Mr. Guimond 15000

Mr. Coderre 15001

Mr. Guimond 15001

Mr. Coderre 15001

Mr. Guimond 15001

Mr. Coderre 15002

Mr. Elley 15002

Mr. Dumas 15003

Mr. Martin (Esquimalt—Juan de Fuca) 15005

Mr. Lebel 15006

Mr. McNally 15007

Mr. Byrne 15008

Mr. McNally 15008

Mr. Byrne 15008

Mr. McNally 15008

Mr. McNally 15009

Mr. Muise 15009

Mr. McNally 15009

Mr. Proctor 15009

Mr. Lunn 15010

Mr. Lunn 15011

Mr. Rocheleau 15011

STATEMENTS BY MEMBERS

Mining Industry

Mr. Caccia 15013

Taxation

Mr. Hill (Prince George—Peace River) 15013

Elizabeth Fry Society

Mr. Adams 15013

Donat Grenier

Mr. Chrétien (Frontenac—Mégantic) 15013

Sport Centres

Mr. Proud 15013

Organ Donor Registry

Mr. Martin (Esquimalt—Juan de Fuca) 15014

Regional Development

Mr. Drouin 15014

Royal Canadian Mounted Police

Mr. McNally 15014

Reform Party of Canada

Mr. Sekora 15014

Developing Nations

Ms. Desjarlais 15015

Air Transportation

Mr. Fontana 15015

Nursing Week

Mrs. Picard 15015

Nursing	
Mr. Power	15015
Canada Post	
Ms. Leung	15015
Québec Ateliers Ouverts	
Mrs. Gagnon	15016
Palliative Care	
Mr. Jackson	15016
Nisga'a Treaty	
Mr. Cummins	15016
Canadian Coast Guard	
Mr. Muiise	15016

ORAL QUESTION PERIOD

Supreme Court of Canada	
Mr. Manning	15016
Mr. Gray	15017
Mr. Manning	15017
Mr. Gray	15017
Mr. Manning	15017
Mr. Gray	15017
Mr. Lowther	15017
Ms. McLellan	15017
Mr. Lowther	15017
Ms. McLellan	15017
Transport	
Mr. Duceppe	15018
Mr. Collenette	15018
Mr. Duceppe	15018
Mr. Collenette	15018
Mr. Guimond	15018
Mr. Collenette	15018
Mr. Guimond	15018
Mr. Collenette	15018
Immigration	
Ms. McDonough	15018
Mr. Telegdi	15018
Ms. McDonough	15019
Mr. Gray	15019
Taxation	
Mr. Solberg	15019
Mr. Martin (LaSalle—Émard)	15019
Mr. Solberg	15019
Mr. Martin (LaSalle—Émard)	15019
Mr. Martin (LaSalle—Émard)	15019
Correctional Service Canada	
Mr. MacKay	15019
Mr. MacAulay	15019
Mr. MacKay	15020
Mr. MacAulay	15020
Shipbuilding	
Mr. Dubé (Lévis—et—Chutes—de—la—Chaudière)	15020
Mr. Manley	15020
Mr. Dubé (Lévis—et—Chutes—de—la—Chaudière)	15020
Mr. Manley	15020
Taxation	
Mr. Harris	15020

Mr. Martin (LaSalle—Émard)	15020
Mr. Harris	15020
Mr. Martin (LaSalle—Émard)	15021
Kosovo	
Mr. Turp	15021
Mr. Axworthy (Winnipeg South Centre)	15021
Mr. Turp	15021
Mr. Axworthy (Winnipeg South Centre)	15021
Taxation	
Mr. Elley	15021
Mr. Martin (LaSalle—Émard)	15021
Mr. Elley	15021
Mr. Martin (LaSalle—Émard)	15021
Employment Insurance	
Mr. Crête	15022
Mr. Pettigrew	15022
Jubilee 2000	
Mr. Cannis	15022
Ms. Marleau	15022
Taxation	
Mr. Ritz	15022
Mr. Martin (LaSalle—Émard)	15022
Mr. Ritz	15022
Mr. Martin (LaSalle—Émard)	15022
Canadian Environmental Protection Act	
Mr. Laliberte	15023
Mrs. Stewart (Northumberland)	15023
Mr. Laliberte	15023
Mr. Boudria	15023
Children	
Ms. St-Jacques	15023
Ms. McLellan	15023
Ms. St-Jacques	15023
Ms. McLellan	15024
Sierra Leone	
Mrs. Finestone	15024
Mr. Axworthy (Winnipeg South Centre)	15024
Impaired Driving	
Mr. Cadman	15024
Ms. McLellan	15024
Medical Use of Marijuana	
Mr. Bigras	15024
Mr. Rock	15024
Taxation	
Mr. Nystrom	15024
Mr. Martin (LaSalle—Émard)	15025
Highways	
Mr. Casey	15025
Mr. Collenette	15025
Youth	
Mrs. Ur	15025
Ms. Fry	15025
Arts and Culture	
Mr. Strahl	15025
Ms. Copps	15025
Employment Insurance	
Mr. Gauthier	15025

Mr. Pettigrew 15026

GOVERNMENT ORDERS

Public Sector Pension Investment Board Act

Bill C-78. Report stage 15026
Mr. Bernier 15026
Mr. Coderre 15027
Mr. Bernier 15027
Mr. Mancini 15027
Mrs. Lalonde 15029
Mr. Bellehumeur 15030
Ms. Desjarlais 15031
Mr. Desrochers 15033
Mr. Ménard 15034
Division on Motion No. 1 deferred 15035
Division on Motion No. 2 deferred 15036
Division on Motion No. 3 deferred 15036
Division on Motion No. 4 deferred 15036
Division on Motion No. 8 deferred 15036
Division on Motion No. 9 deferred 15036
Division on Motion No. 32 deferred 15037
Mr. Lowther 15037
Motions Nos. 15 and 17 to 23 15037
Mr. Wappel 15038
Motions Nos. 24 and 25 15038
Mr. Lowther 15038
Motion No. 26 15038
Mr. Wappel 15038
Motion No. 27 15038
Mr. Lowther 15038
Motion No. 28 15038
Mr. Wappel 15039
Motion No. 29 15039
Mr. Lowther 15039
Motion No. 30 15039
Mr. Lowther 15039
Mr. Wappel 15040
Mr. Bachand (Saint-Jean) 15042

Mr. Martin (Winnipeg Centre) 15043
Mr. Ianno 15044
Mr. Stoffer 15044
Mr. Martin (Winnipeg Centre) 15044
Mr. Brison 15045

ROUTINE PROCEEDINGS

Committees of the House

Justice and Human Rights

Mr. Adams 15046
Motion 15046
(Motion agreed to) 15046

Business of the House

Mr. Adams 15046
Motion 15046
(Motion agreed to) 15046

GOVERNMENT ORDERS

Public Sector Investment Board Act

Bill C-78. Report stage 15046
Mr. Epp 15047

PRIVATE MEMBERS' BUSINESS

Criminal Code

Motion 15047
Mrs. Barnes 15047
Mr. Reynolds 15048
Mr. Bellehumeur 15049
Mr. Muise 15051
Mr. Stoffer 15052
Mr. Wilfert 15054
Ms. Desjarlais 15055

ADJOURNMENT PROCEEDINGS

Air Safety

Mr. Casey 15056
Mr. Adams 15057

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