

Order of Business

PRIVATE MEMBERS' MOTIONS

[English]

ORDER OF BUSINESS

The Acting Speaker (Mrs. Morin): Notice of Motion No. 2. The hon. member for Hamilton West (Mr. Alexander).

Some hon. Members: Stand.

Mr. Herbert: No.

Mr. Sharp: At the request of the government.

The Acting Speaker (Mrs. Morin): The motion stands at the request of the government.

Notice of motion No. 15. The hon. member for Hamilton-Wentworth (Mr. O'Sullivan).

Shall the motion stand?

Mr. Herbert: No!

Mr. Sharp: At the request of the government.

The Acting Speaker (Mrs. Morin): Motion stands at the request of the government.

● (1600)

Notice of motion No. 19, the hon. member for Laprairie (Mr. Watson). Shall the motion stand?

Mr. Herbert: No.

Mr. Sharp: At the request of the government.

Motion stands.

The Acting Speaker (Mrs. Morin): Notice of motion No. 20, the right hon. member for Prince Albert (Mr. Diefenbaker). Shall the motion stand?

Mr. Herbert: No.

Mr. Sharp: At the request of the government.

Motion stands.

Mr. Knowles (Winnipeg North Centre): Madam Speaker, I just want to know whether we are in the House of Commons or looking in on a Liberal caucus?

The Acting Speaker (Mrs. Morin): Order, please. Notice of motion No. 28, the hon. member for Parkdale (Mr. Haidasz). Shall the motion stand?

Mr. Herbert: No.

Mr. Sharp: At the request of the government.

Motion stands.

The Acting Speaker (Mrs. Morin): Notice of motion No. 29.

[The Acting Speaker (Mrs. Morin).]

PERPETUAL BONDS, 1936

SUGGESTED REDEMPTION BY GOVERNMENT

Mr. James Gillies (Don Valley) moved:

That, in the opinion of this House, the government should reconsider its decision not to redeem the 3 per cent perpetual bonds, issued in 1936, through a scheme whereby (a) original purchasers would receive full face value for their bonds (b) all other holders would receive payment for each bond according to the market price for the year in which the bond was purchased (c) that an immediate freeze be placed on the market value of the bonds to prevent speculation.

He said: Madam Speaker, since I first proposed this motion over a year ago the government has in fact put a redemption date on perpetual bonds, which will require me to make a slight change in my motion. However, it does not change the substance of the material I want to present today.

By way of introduction to this topic I would like to stress that my purpose here today is twofold. Under the strictest definition of parliamentary procedure I am here to exercise my option of introducing a private member's motion on perpetual bonds. But on a different level, and in a humanitarian spirit, I am here to do the government a great favour. I intend to give the government the opportunity to discredit its nationwide reputation for inaction by calling on it to rectify an injustice that has loomed too large for too long.

On March 18 of this year the Minister of Finance (Mr. Turner) announced that on September 15, 1996 that the \$55 million worth of Government of Canada 3 per cent perpetual bonds will be redeemed at par. The minister went on to say that these perpetual bonds issued in 1936 are unique in the federal government's debt structure. They were a relatively small issue, they are rarely traded, and they represent a method of financing that has not been used by major western nations in the postwar period.

What that announcement failed to mention, of course, was the plight of many holders of perpetual bonds who would receive only a fraction of their original investment if necessity compelled them to dispose of their bonds before the 1996 maturity date. What that announcement further failed to mention was that the government has been in a legal position to pay back these bonds since September 15, 1966, but that it has refused to do so.

In copies of many letters which I have on file, the Minister of Finance has responded to the urgent inquiries of holders of these perpetual bonds by quoting cold, hard economic facts. Read in chronological order, the substance of these letters becomes oppressively repetitious. To those Canadians who are original holders, many of whom are old age pensioners living on embarrassingly modest incomes, the minister seems to have turned a stone ear.

Throughout the form letters sent to those who are anxiously awaiting some encouragement that their investments will be honoured, there is the frequent reference to "setting a dangerous precedent by agreeing to protect bond holders from the vagaries of the market". There is, too, the verbal shrug that tells these people they must have misunderstood the purpose and meaning of these perpetual bonds when they were first offered. They may have believed they were buying a retirement annuity, but that mistake has cost many people dearly.